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ABSTRACT

The 14th of 17 modules in a self-instructional course on student financial aid administration (geared toward novice financial aid administrators and other institutional personnel) focuses on Pell Grants and campus-based authorization, fiscal operations, and reporting. The full course provides an introduction to the management of federal financial aid programs authorized by the Higher Education Act Title IV. This module teaches how to describe the method for receiving authorizations for campus-based funds, recognize standard forms for reporting the use of Pell Grant and campus-based funds, describe the systems for obtaining cash advances, define the fiscal responsibilities in reporting and recordkeeping and the concept of a clear audit trail, and describe required reports for the Stafford Loan and Perkins Loan programs. Three sections discuss the following: (1) program authorizations (the Pell Grant program authorization and campus-based authorizations); (2) fiscal operations (overview, fiscal recordkeeping, program-specific disbursement procedures, bank accounts for federal funds, and requests for funds); and (3) reporting (quarterly reports and student loan reports). A pre-test, post-test, glossary, and acronyms are included. Contains four references. (SM)

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A Self-Instructional Course in Student Financial Aid Administration

An Introduction and Guide to the Administration of Federal Title IV Student Financial Aid Programs

ED307836

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HE 022194

A Self-Instructional Course in Student Financial Aid Administration

United States Department of Education
Office of Student Financial Assistance

Authorization, Fiscal Operations, & Reporting

14

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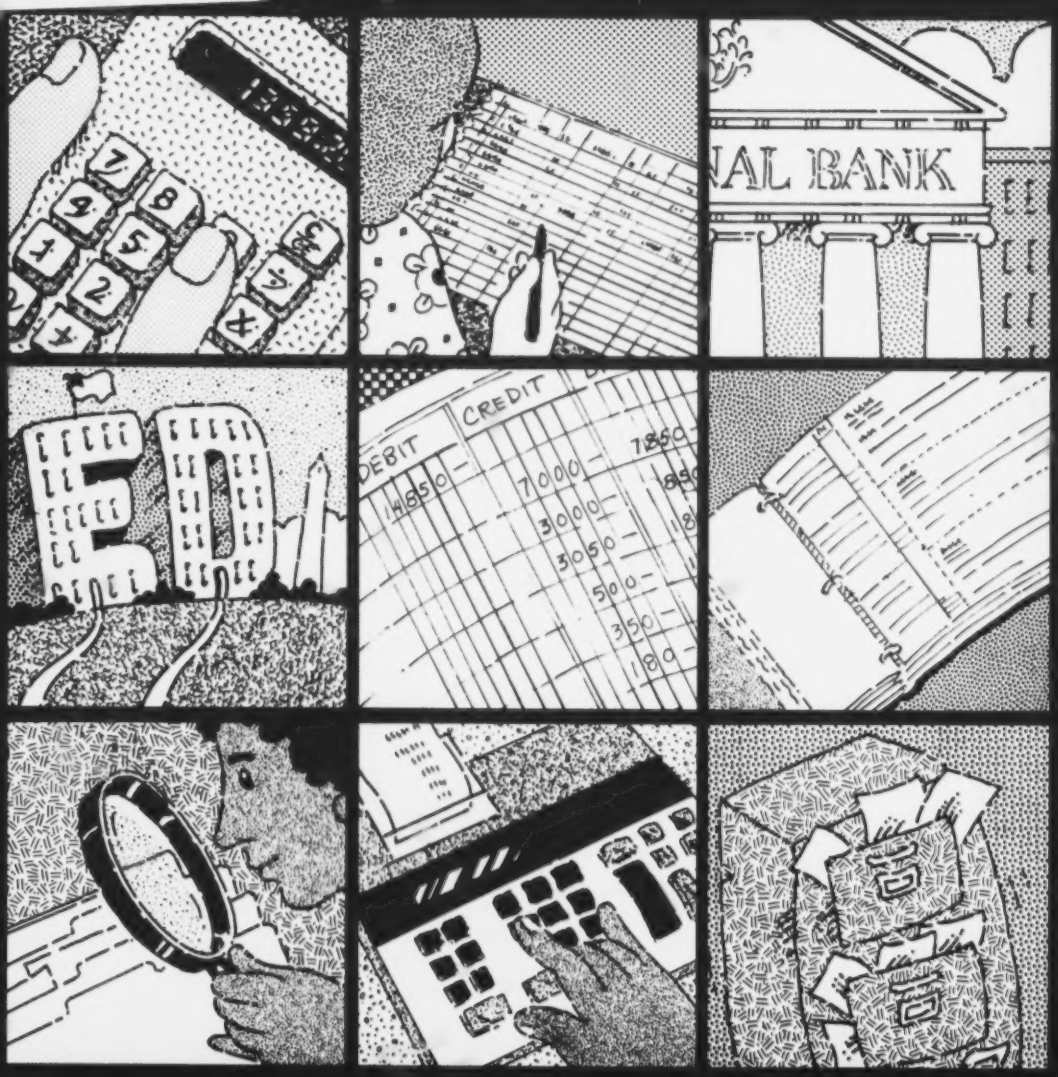

A Self-Instructional Course in Student Financial Aid Administration

United States Department of Education
Office of Student Financial Assistance

This publication is one component of *A Self-Instructional Course in Student Financial Aid Administration*. This Second Edition of the course consists of the following modules:

1. Student Financial Aid Administration: Course Study Guide and Introduction to the Field
2. Federal Student Financial Aid: History and Current Sources
3. The Legislative and Regulatory Processes
4. Roles and Responsibilities of the Financial Aid Office
5. Title IV Institutional and Program Eligibility
6. General Student Eligibility
7. Calculating Cost of Attendance
8. Need Analysis
9. Award Packaging
10. The Pell Grant Program
11. The Stafford Loan, SLS, and PLUS Programs
12. Campus-Based Programs: SEOG, CWS, and Perkins Loan
13. Verification
14. Authorization, Fiscal Operations, and Reporting
15. Internal Aid Office Management and Institutional Quality Control
16. Forms and Publications
17. Evaluation of Student Aid Management: Self-Evaluation, Audit, and Program Review

The course includes a Support Booklet with the complete course glossary, acronyms, key resources, bibliography, and index, as well as addresses of publishers mentioned in the course. The Support Booklet also offers guidelines for further study.

UNITED STATES DEPARTMENT OF EDUCATION
WASHINGTON, D.C. 20202

October 1988

Dear Colleague:

We are pleased to present the Second Edition of A Self-Instructional Course in Student Financial Aid Administration. This updated version of the course originally published in 1986 incorporates provisions of the Higher Education Amendments of 1986, with 1987 Technical Amendments and subsequent amendments.

The purpose of the course remains the same. It is designed to provide neophyte financial aid administrators (those with two years or less experience in student aid) and other institutional personnel with a systematic introduction to management of federal financial aid programs authorized by Title IV of the Higher Education Act. Students of the course will gain a fundamental understanding of the roles and responsibilities of participating institutions and of student aid administrators. On completion of the course, they will be prepared to expand this knowledge with the use of training and reference materials, on-site training opportunities, and contacts with other members of the profession.

The materials were revised under a contract with the Washington Consulting Group. The text was reviewed for technical accuracy by many staff members of the Office of Student Financial Assistance (OSFA). Special acknowledgement is due to both project staff and OSFA specialists for accomplishing very wide-ranging modifications of the text during a period when much legislative and regulatory activity affecting student aid was in progress.

Your comments and suggestions regarding any aspect of the materials are welcome. OSFA is particularly interested in learning 1) the level of experience and job responsibilities of personnel at your institution using the modules; 2) the purposes for which they are being used (for example, self-study, training new staff, reference); and 3) whether you feel that this publication is among those that OSFA should continue to update and disseminate annually. You may send your comments to the Training Branch, OSFA/ED, 400 Maryland Avenue S.W., Washington, D.C. 20202.

Sincerely,

Dewey L. Newman
Deputy Assistant Secretary for
Student Financial Assistance

Daniel R. Lau
Director, Student Financial
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Enclosure

The following non-OSFA participants contributed to the development of this Second Edition of the course:

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MODULE 14

AUTHORIZATION, FISCAL OPERATIONS, AND REPORTING

The technical information in this module is based on laws, regulations, policies, and procedures in effect as of:

August 20, 1988

This is one component of *A Self-Instructional Course in Student Financial Aid Administration*. This Second Edition of the course has been prepared by The Washington Consulting Group, Inc., under a contract with the U.S. Department of Education.

The course consists of 17 modules and a support booklet. It provides an introduction and guide to the administration of student financial aid programs authorized under Title IV of the Higher Education Act of 1965, as amended. The titles of the modules are listed on the inside front cover of this publication.

Institutions may freely reproduce the course for their own use. For more information on the course, contact one of the Department of Education offices listed on the inside back cover of this publication.

TABLE OF CONTENTS

Page

v Learning Objectives and Introduction

vi Pre-Test

1 Program Authorizations

1 14.1 The Pell Grant Program Authorization

2 14.1.1 The Payment Document and Student Aid Report (SAR) Data Record
3 14.1.2 The Institutional Payment Summary (IPS)
4 14.1.3 The IPS Batch Report and Statement of Account
5 14.1.4 The Student Payment Summary
5 14.1.5 Reconciliation of Records

17 14.2 Campus-Based Program Authorizations

17 14.2.1 Basic Funding Procedures
18 14.2.2 The Fiscal Operations Report and Application to Participate (FISAP)
19 14.2.3 Responsibility for the FISAP
19 14.2.4 An Overview of the FISAP

33 Fiscal Operations

33 14.3 Overview of Fiscal Operations

34 14.4 Fiscal Recordkeeping

35 14.5 Program-Specific Disbursement Procedures

35 14.6 Bank Accounts for Federal Funds

36 14.7 Requests for Funds

37 14.7.1 Forecasting Need
38 14.7.2 Monthly Cash Request System
38 14.7.3 Federal Electronic Fund Transfer (FEDWIRE)
38 14.7.4 Automated Clearing House/Electronic Fund Transfer System (ACH/EFT)

40 Reporting

40 14.8 Quarterly Reports

44 14.9 Student Loan Reports

44 14.9.1 Stafford Loan Program Student Confirmation Reports
44 14.9.2 Reporting Defaults on Perkins Loans

46 Summary

Page

48 Post-Test

52 Glossary

53 Acronyms

55 Key Resources and Bibliography

56 Index

MODULE 14

AUTHORIZATION, FISCAL OPERATIONS, AND REPORTING

❑ LEARNING OBJECTIVES

After completing this module, you will be familiar with Pell Grant and campus-based authorizations and reporting. The discussion will also include general information on fiscal operations as they relate to obtaining funds and accounting for program transactions, and an overview of the basic Stafford Loan and Perkins Loan reporting responsibilities. After completing this module, you will be able to:

- ✧ describe the process by which a Pell Grant authorization is monitored and adjusted;
- ✧ describe the method for receiving authorizations for campus-based funds;
- ✧ recognize standard forms for reporting the use of Pell Grant and campus-based funds;
- ✧ define and describe fiscal responsibilities in recordkeeping and reporting, and the concept of a *clear audit trail;*
- ✧ describe the systems for obtaining cash advances; and
- ✧ describe required reports for the Stafford Loan and Perkins Loan programs.

❑ INTRODUCTION

This module will discuss the three areas of authorization, fiscal operations, and reporting. These are important topics for any institution that manages Title IV funds. In this module, we will answer the following questions:

- ✧ How does an institution receive funding authorizations for the Pell Grant and campus-based programs?
- ✧ How is federal cash obtained by the institution?
- ✧ How do the Department of Education and the institution keep track of expenditures of Title IV program funds?

In addressing these issues, we will discuss the Department of Education Payment Management System (ED/PMS). This system provides institutions with funds for disbursement and generates reports which monitor an institution's use of program funds. Special reporting requirements for the Stafford Loan and Perkins Loan programs will also be described.

Because the module contains a general description of reporting and is intended only to provide an overview of the subject, we will direct you to other references and resources for instructions

on how to complete specific reports. For example, instructions for completion of the Pell Grant Payment Document and the Institutional Payment Summary (IPS) are given in a series of Pell Grant Action Letters. These Action Letters also describe various aspects of the Pell Grant delivery system and are essential reading for anyone with responsibilities in this area. The Fiscal Operations Report and Application to Participate (FISAP) comes with complete instructions. Training and technical assistance are also available through ED regional offices.

As you review the module, keep in mind that many of the responsibilities described are shared between an institution's financial aid and fiscal offices. You will also note that information is required from the admissions and registrar's offices to complete the FISAP.

In Module 17 we will discuss audits and program reviews in which the institution's management of financial aid programs is evaluated. That discussion will add to your understanding of the importance of proper administration of Title IV funds.

PRE-TEST

1. Which of the payment systems deposit federal funds directly into an institution's commercial bank account? (circle all that apply)

   a. Automated Clearing House/Electronic Fund Transfer (ACH/EFT)
   b. FEDWIRE
   c. Monthly Cash Request

2. The FISAP requires the institution to report eligible aid applicants by income level. True or False?

3. A clear audit trail is:

   a. clearance by ED to draw funds from the U.S. Treasury
   b. an established set of procedures that must be completed during an audit
   c. clear and complete records of an independent audit for each year of participation in Title IV programs
   d. documentation to support each transaction for the receipt and expenditure of federal funds

4. The Automated Clearing House/Electronic Fund Transfer system (ACH/EFT) will replace all other disbursement systems. True or False?

5. Which report is the annual application for campus-based funds?

   a. the Institutional Payment Summary
   b. the FISAP
   c. the SAR
   d. the quarterly report

6. Reporting periods for the Pell Grant program are the same for all institutions. True or False?

7. The FEDWIRE system allows an institution to make requests for cash which exceed the limit of total funds authorized. True or False?

8. A matching requirement is:

   a. an amount that the student must contribute to his or her cost of education
   b. an amount that must be added by the institution to federal funds allocated by ED
   c. an amount that the state must contribute to the institution to match federal contributions for financial aid awards

9. Which report is submitted with Pell Grant Payment Documents?

   a. the Federal Cash Transactions Report
   b. the Pell Grant Student Payment Summary
   c. the Monthly Cash Request Report
   d. the Institutional Payment Summary

10. Institutions must draw down funds for their immediate needs only. True or False?

11. How is the Pell Grant authorization adjusted during the award year?

   a. it will be adjusted whenever the batched Payment Documents and IPS indicate the need for an adjustment
   b. it is adjusted whenever the institution completes a FISAP
   c. it is adjusted whenever the Federal Cash Transaction Report indicates that more Pell Grant funds have been disbursed than were originally allocated
   d. it is not adjusted after the initial authorization has been made

12. Institutions are required to have the word "federal" in the name of any account used to receive and disburse federal funds. True or False?

13. When is the FISAP filed?

   a. after the institution files an audit report with ED
   b. every fall
   c. by June 30th--the end of the award year

ANSWERS

1. a. and b. (14.7.2 - 14.7.4)*
2. True. (14.2.4–FISAP Part II, Section E)
3. d. (14.4)
4. True. (14.7.4)
5. b. (14.2.1 - 14.2.4.)
6. False. (14.1.2)
7. False. (14.7.2)
8. b. (14.2)
9. d. (14.1.2)
10. True. (14.7.1 - 14.7.4)
11. a. (14.1, 14.1.3)
12. False. (14.6)
13. b. (14.2.2)

*For quick access to information on this question, see these sections.

Questions: 13 Your Score: ____ Percentage: ___

PROGRAM AUTHORIZATIONS

Institutions participating in the Pell Grant program or any of the Title IV campus-based programs receive authority to disburse funds to students from the Department of Education (ED). The authorized level of funding for the award year may be referred to as the school's *authorization level*, or, more commonly, the *authorization*. These terms are used to describe the dollar amounts approved for expenditure in an award year. Because there are significant differences in the way the Pell Grant and campus-based program authorizations are obtained and in the way the programs function, we will discuss them separately.

For campus-based programs, *allocation* and *authorization* refer to the same figure--the approved level of federal funding for a program for the award year.

14.1 THE PELL GRANT PROGRAM AUTHORIZATION

For a review of the Pell Grant program, refer to Module 10.

The Department of Education determines an institution's authorization for the Pell Grant program in a very different way from the one which will be described for campus-based programs in the following section. Pell Grant funds are available to all students who are eligible to receive a grant from the program. For this reason, Pell Grant authorizations are first estimated and then adjusted to the amount actually needed by the institution to pay its eligible students.

The initial authorization for the institution is based on ED's estimate of the amount needed to make Pell Grant disbursements during the first scheduled payment period of the award year. This projection is based on prior year Pell Grant use at the institution. A document called a *Statement of Account* notifies the institution of this amount, and disbursements are made to students within the limits of the authorization.

All institutions participating in the Pell Grant program will receive a monthly *Statement of Account (SOA)*. The first SOA for the award year will indicate the initial Pell authorization level.

Adjustments to the initial authorization are made as the institution periodically reports both the amount it has already disbursed to Pell Grant recipients and the amount yet to be paid for the award year. This reporting is explained thoroughly in a series of *Pell Grant Delivery System Action Letters* distributed to institutions by ED. Complete instructions for Pell Grant reporting are given in these documents and will only be summarized here.

14.1.1 The Payment Document and Student Aid Report (SAR) Data Record

There are several processing systems currently in use to transmit payment data to the Department of Education:

- ✧ the manual system, which requires the submission of paper forms called Payment Documents (Part 3 of the Student Aid Report)
- ✧ the automated system called the Recipient Data Exchange (RDE), which transmits SAR Data Records on computer tape
- ✧ the Pell Electronic Data Exchange (PEDE), which allows participating schools to transmit electronically to ED the same payment data supplied in the above two systems (for more information, see Module 10, Section 10.4)

The Payment Document is Part 3 of the Student Aid Report and is given to the school by the student. Under the manual system, Payment Documents are completed by the school, sent to ED, and returned again to the school as Processed Payment Documents.

Schools using the RDE system leave the paper Payment Document in the student's file and submit the same data to ED on computer tape in the form of a SAR Data Record. ED returns processed data either on computer tape as a Processed Payment Data Record or as a printed ("hardcopy") Processed Payment Document, depending upon the format requested by the institution.

When the school submits payment information for a student, it reports any amount already paid and projects future payments to the student for the award year, estimating the total expected disbursement. An example of the completed Side 2 of a Payment Document is shown on page 7. Similar data would be represented on the SAR Data Tape.

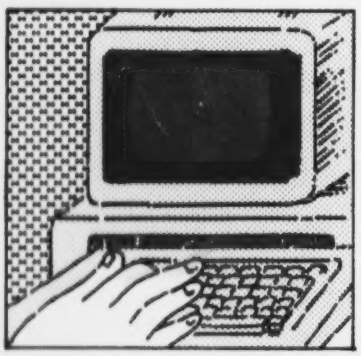
Payment Documents or tape data are processed by ED. If errors or inconsistencies appear, they may be "accepted with assumptions" or rejected. Processed payment information is returned to the school with comments indicating whether the data were accepted, accepted with assumptions, were duplicates, or were rejected. For an example of a Processed Payment Document returned from ED, see page 8.

Two Tape Exchange Programs:

- Recipient Data Exchange Program
- Applicant Tape Program

The *Recipient Data Exchange* program is a two-way exchange for the submission of payment data and is described in the text.

The *Applicant Tape* program is a one-way transmittal of applicant data from ED to the school. It lists students who have submitted applications for the Pell Grant and can include much of the data used to calculate the Student Aid Index if this is requested by the school. Schools requesting this service use the information to estimate Pell Grants in the award packaging process.



The Processed Payment Document or SAR Data Record is always resubmitted to ED if the initial submission of payment information was rejected or if there is a change in the information originally reported. *If the circumstances listed below result in a change in the student's expected disbursement,* revised payment data must be submitted to ED:

- ✧ a change in the student's enrollment status
- ✧ the recalculation of the student's award
- ✧ an adjustment made to the SAI by the financial aid administrator, based on professional judgment
- ✧ the student's failure to make satisfactory academic progress
- ✧ the student's failure to attend for the anticipated payment periods

For information on required recalculation of a Pell Grant, refer to Module 10.

The last Payment Document submitted for each student during the award year must reflect the actual amount disbursed (or to be disbursed) to the student for the award year.

The final payment document may be submitted for a student at any time during the award year. For example, if revised payment information was submitted on a Processed Payment Document in February, no further submissions are necessary *unless* the student's expected disbursement changes.

14.1.2 The Institutional Payment Summary (IPS)

When a batch of Pell Grant payment documents is submitted to ED, it must be accompanied by a signed copy of the Institutional Payment Summary (IPS). The IPS is a report that summarizes the Pell Grant payment data contained in individual payment documents. Institutions with no new Pell Grant recipients or no changes to previously reported payment data need only submit the IPS copies. A sample IPS is shown on page 9. An IPS is not required if payment information is submitted on a recipient data tape only.

The IPS can also be used throughout the award year to request a change in the general institutional information on file with ED. The upper half of the IPS lists institutional data which may change, such as undergraduate enrollment statistics and payment frequency. Standard *costs of attendance* are also entered on the IPS, saving you the trouble of entering the cost of attendance on each individual Payment Document. Instead, you may enter a code which refers back to the IPS data.

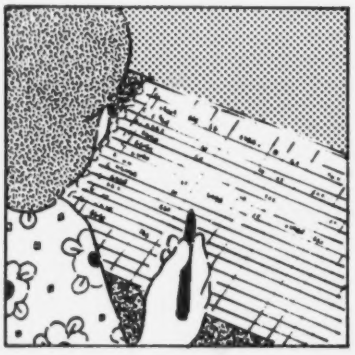
The Pell Grant cost of attendance is explained in Module 7. This entry on the Payment Document or tape must be calculated in accordance with the Pell Grant regulations. For further information, refer to Module 7, Calculating Cost of Attendance.

Certain multi-campus institutions will receive a Pre-Award IPS. This form reproduces institutional data from the previous year and is used to update the information prior to the beginning of the award year. Institutions that do not receive a Pre-Award IPS will make these updates on the first regular IPS.

Reporting periods have been established according to the volume of Pell Grant payments. Six periods are defined for institutions with prior- or current-year authorizations of $750,000 or more, and three periods are defined for institutions with authorizations of less than $750,000.

Although institutions are required to submit an IPS and accompanying Payment Documents, or a data tape, at least once during every reporting period, the institution may choose when and how frequently to submit them. Up to 60 submissions are allowed for each award year. Schools with several start dates within each reporting period or with a large number of Pell Grant recipients may want to make frequent submissions. To reduce the number of changes which need to be reported, institutions may wish to withhold submission until the add/drop period is over and payment information is st ble.

14.1.3 The IPS Batch Report and Statement of Account



After processing the IPS and payment information, ED returns to the institution an IPS Batch Report, a new IPS form, and Processed Payment Documents or tape. The IPS Batch Report and new IPS are mailed separately. If your institution does not receive the corresponding Processed Payment Documents within two weeks after receiving the Batch Report, you should call your Pell Grant Financial Management Specialist at ED.

The IPS Batch Report shows the net adjustment, if any, to payment data for the batch. This adjustment will also be reflected on the monthly Statement of Account. Examples of these documents are shown on pages 10 and 11.

Through this process, ED obtains regularly revised payment data for its own fund management and planning purposes and for use in adjusting your institutional Pell Grant authorization. The final IPS must be submitted by your institution within 6 months after the close of the award year (by December 31) and must reflect all payments and recoveries for the award year. It must be in agreement with the total of payments reported on

individual payment documents and must also be reconciled with the institution's fiscal records and the ED Payment Management System (ED/PMS).

14.1.4 The Student Payment Summary

The Student Payment Summary provides the institution with a list of all students for whom ED has processed Payment Documents or tape/electronic data. (An example of this document is shown on pages 12-15.) The listing includes the total expected disbursement for each student and should be reconciled with your records and reports. Many institutions use this listing to compare the information submitted to ED to the institutional disbursement records for the Pell Grant program.

The Student Payment Summary is provided by ED for your reference three times a year. *It is not designed as a report that you can correct or return to ED.* Corrections must be made by resubmitting corrected Processed Payment Documents and a signed copy of an IPS, or tape or electronic records .

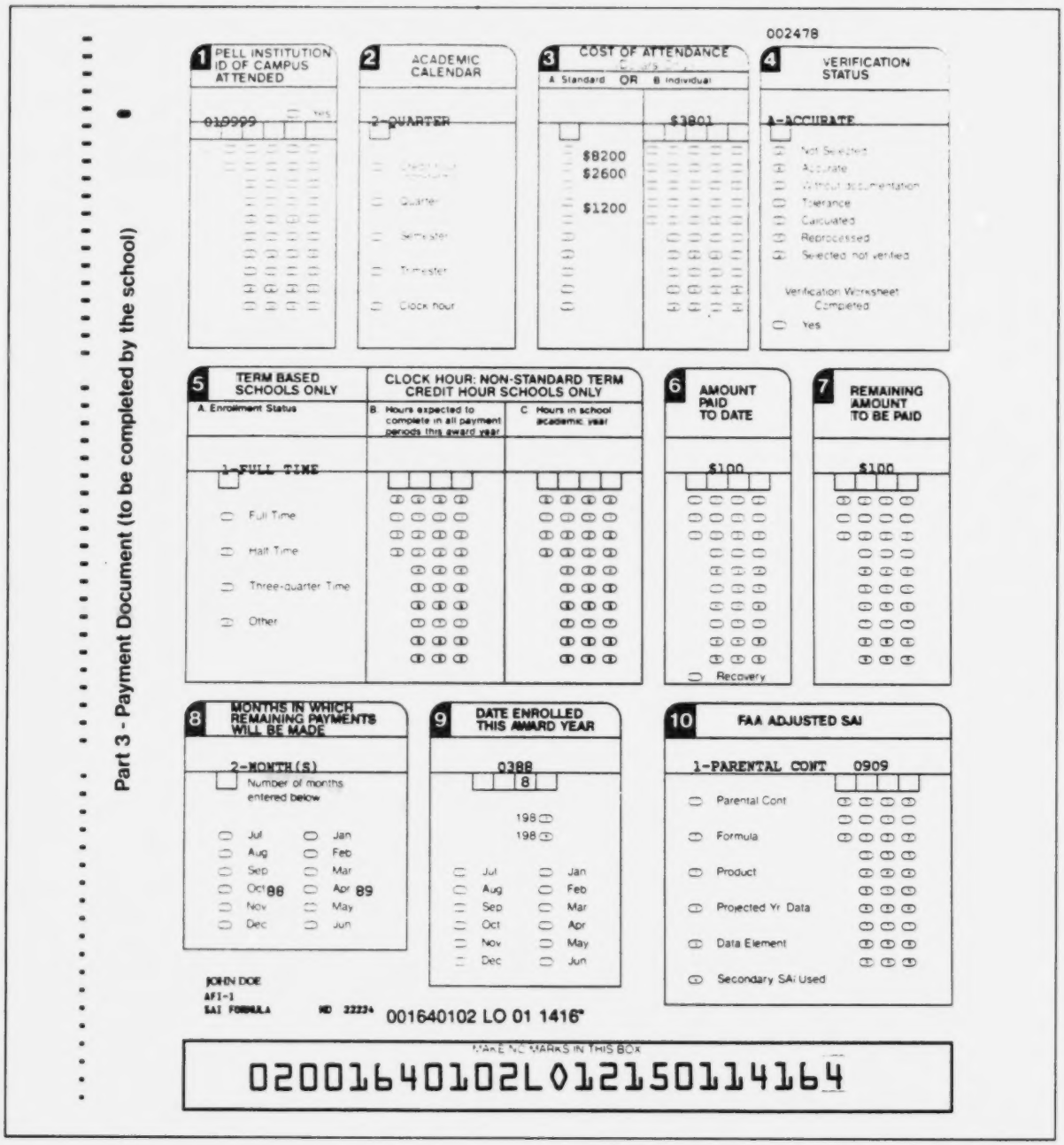
14.1.5 Reconciliation of Records

ED's record of accepted net payments, as reported on each IPS Batch Report, and net year-to-date payments, as reported on the most recent Statement of Account, should be reconciled with your institution's payment records. The batch-by-batch reconciliation will assist in the final reconciliation of the end-of-year Student Payment Summary with institutional records.

The approvals for Pell Grant payments issued by the financial aid office must be reconciled regularly with fiscal office disbursements. This is usually initiated by the financial aid office and is an important step in ensuring the accuracy of reports.

Module 10 discussed the conditions under which recoveries (repayments) are required. In some cases, the student or the institution will make repayment after the end of the award year--these are called *prior-year recoveries*. Special procedures exist for institutions to reconcile records and report prior-year recoveries and other adjustments. Please refer to the "Dear Colleague" letter P-88-5 (LD), of February 1988, for further information on reconciliations of this kind.

For your reference, we have provided an overview of the forms encountered in the Pell Grant disbursement system on page 16. (In this module, we are using 1988-89 Pell Grant forms.)



The sample shows Side 2 of Part 3 of the SAR (the Payment Document).

The institution completes this form and submits it together with other payment documents in a batch. The batch is accompanied by 2 copies of an IPS.

Section 1: For single campuses without branches, the IPS will record the information that belongs in this section, so it need not be entered again here. In all other cases, the aid administrator must make an entry.

Section 3: The cost of attendance would be entered if it were an individual figure for this student and not a standard figure recorded on the IPS.

Section 4: Refer to Module 13, Verification, for information on Verification Status Codes.

Section 10: Refer to Module 10 for information on reporting SAI adjustments.

BEST COPY AVAILABLE

002478

1988 - 89 Student Aid Report

Part 3 - Pell Grant Payment Document

— FOR SCHOOL USE ONLY —

Do not staple, tear or paper clip this form

— FOLD ONLY ALONG ORIGINAL FOLDS —

FORM APPROVED
OMB NO. 1840-0192
Expiration Date 12-31-89

JOHN DOE
AFI-1
SAI FORMULA MD 22224

SSN 901-64-0102
DOB 04-07-67
SAI 01416•

TRANSACTION 01
PROCESSED 03-16-88

COMMENTS REGARDING PAYMENT DATA:

```
••• IPS RECAP:  YOUR IPS DATED 06/01/88          OUR BATCH NUMBER 88153554
••• WE ACCEPTED THIS STUDENT'S DATA AS YOU REPORTED IT.
    KEEP THIS PROCESSED PAYMENT DOCUMENT IN YOUR FILES; SUBMIT IT TO
    US ONLY IF YOU NEED TO MAKE CHANGES.
••• THIS STUDENT'S SCHEDULED PELL GRANT IS $1250.
••• YOU REPORTED AN EXPECTED DISBURSEMENT (ITEMS 6 + 7) OF          $200.
••• REMAINING PAYMENT INFORMATION FOR THIS STUDENT (SEE ITEMS 7  & 8):
    OCT 88   $50    APR 89   $50
```

SCHOOL CERTIFICATION

I certify that payments to this student are correct according to Pell Grant Program regulations and statutes, instructions in the Student Financial Aid Handbook and the 1988-89 Payment Schedule.

I further certify that the student is making satisfactory academic progress in an eligible program, has signed a Statement of Updated Information, a Statement of Educational Purpose/Certification Statement on Refunds and Defaults, and a Statement of Registration Status (if required), and has provided any documents for verification (if required).

I believe that the data supplied by the student from which the Student Aid Report was produced, or adjusted by me, are accurate. I understand that my school is liable for incorrect payments made to the student and that if I knowingly make false or misleading statements on this report, I am subject to a fine of up to $10,000, imprisonment for up to 5 years, or both, under provisions of the United States Criminal Code (including 18 U.S.C. 1001).

SIGNED BY _____ DATE _____

SCHOOL NAME SAMPLE SCHOOL NINE 00004

CITY _____ STATE _____

The sample shows Side 1 of the Processed Payment Document (Part 3 of the Student Aid Report, or SAR). It has been returned to the institution after processing by ED.

INSTITUTIONAL PAYMENT SUMMARY FOR

PELL GRANTS

1988-89 AWARD YEAR

PLEASE READ INSTRUCTIONS BEFORE COMPLETING THIS FORM

FORM APPROVED
OMB NO. 1840-0640
Expiration Date
April 1991

SECTION I: GENERAL INFORMATION (Complete only if information below is incomplete or incorrect)

1. Pell Inst. No.:
2. Entity No.:
3. Institution NAME and ADDRESS. ☐ Check here when NAME and/or ADDRESS has been changed and indicate changes below:

4. Type of Institution: 1 ☐ Less than one year 2 ☐ One year but less than two years 3 ☐ Two years but less than three years 4 ☐ Three years but less than four years 5 ☐ Four Years (baccalaureate degree only) 6 ☐ Five years or more

5. Financial Control: 1 ☐ Public 2 ☐ Private, nonprofit 3 ☐ Proprietary

6. 1988-89 Undergraduate Enrollment: A. Full-time: B. Part-time (at least half-time):

7. Academic Calendar: 1 ☐ Credit hour (non-standard term) 2 ☐ Quarter 3 ☐ Semester 4 ☐ Trimester 5 ☐ Clock hour

8. Standard Cost of Attendance (per Undergraduate Student):

	Total		Tuition and Fees		Room/Board/ Books/Misc		Child Care
A.	$ _____	=	$ _____	+	_____	+	_____
B.	$ _____	=	$ _____	+	_____	+	_____
C.	$ _____	=	$ _____	+	_____	+	_____
D.	$ _____	=	$ _____	+	_____	+	_____
E.	$ _____	=	$ _____	+	_____	+	_____
F.	$ _____	=	$ _____	+	_____	+	_____
G.	$ _____	=	$ _____	+	_____	+	_____
H.	$ _____	=	$ _____	+	_____	+	_____
I.	$ _____	=	$ _____	+	_____	+	_____
J.	$ _____	=	$ _____	+	_____	+	_____

9. Hours in school academic year: (Clock hour, non-standard term credit hour schools only) _____

10. Payment Frequency: 1 ☐ Two per year 2 ☐ One per term 3 ☐ Two per term 4 ☐ Two terms plus mini-term 5 ☐ Monthly 6 ☐ _____ per _____

SECTION II: PAYMENT INFORMATION (To be completed on each IPS)

11. Date Enrolled this Award Year (Month and year only) _____ 8___

12. Months in which REMAINING payments will be made for Payment Documents submitted with this IPS: ☐ July ☐ Aug ☐ Sept ☐ Oct. ☐ Nov. ☐ Dec. ☐ Jan ☐ Feb. ☐ March ☐ April ☐ May ☐ June

CHECK COMPUTATIONS FOR ACCURACY

13.	Number of Payment Documents/Processed Payment Documents submitted with this IPS	13.
14.	Amount Paid to Date (Item 6) on Payment Documents/Processed Payment Documents submitted with this IPS	14. $
15.	Total Payments to date to all Pell Recipients per school records	15. $
16.	Ending Date of Period Corresponding to Amount in Item 15 above (Date entered here must not be after the date reported in Item 20)	16.

Official responsible for the INSTITUTIONAL PAYMENT SUMMARY must sign Item 17. MAIL THE IPS TO: PELL GRANT PROGRAM, P.O. BOX 1400, MERRIFIELD, VA. 22116-1400

17. Signature: _____
18. Name: _____
19. Title: _____
20. Phone: _____ Date Signed: _____
21. Signature: Financial Aid Servicer: _____
22. Name: _____

CERTIFICATION - I certify that I have examined this Institutional Payment Summary, including any accompanying student Payment Document data, and all information is true and complete to the best of my knowledge. I understand that if I knowingly make false or misleading statements on this report, I am subject to a fine of up to $10,000, imprisonment for up to 5 years, or both, under provisions of the United States Criminal Code (including 18 U.S.C. 1001).

ED FORM 255-3b, 6/88 (20 U.S.C. 1070a, 34CFR 690.84)

BEST COPY AVAILABLE

IPS BATCH REPORT FOR

PELL GRANTS

1988-89 AWARD YEAR

FORM APPROVED
OMB NO. 1840-0540
Expiration Date
April 1991

Pell Institution Number

Entity Number

This report resulted from your IPS dated _____ (Item 16 of your IPS)
We received your IPS on _____
We processed this Batch on _____
We assigned this Batch Number to your IPS _____

Information About Your Documents/Records

1. **Number of Documents/Records Submitted to Us in this Batch**

   a. Your count _____ (Item 13 of your IPS)

   b. Our count _____

   c. Difference between 1a and 1b _____

2. **Number of Processed Payment Documents/Records Returned to You for this Batch**

   a. Rejected (see comments on each Processed Payment Document) _____ Correct these and resubmit to us.

   b. Accepted with assumptions (see comments on each Processed Payment Document) _____ Review these and resubmit to us if necessary.

   c. Duplicates (of data we already accepted) _____ Keep these in your files unless award data changes.

   d. Accepted _____ Keep these in your files unless award data changes.

   e. Total Processed Payment Documents/Records (Sum of 2a, 2b, 2c, and 2d) _____

Information About Your Payments

3. **Amount Paid To Date for this Batch**

   a. Your amount $ _____ (Item 14 of your IPS)

   b. Our amount (Item 6 on the Documents/Records submitted in this Batch, as we read them) $ _____

   c. Difference between 3a and 3b $ _____

Information for Reconciliation of this Batch

4. **Total Payments (Item 6 plus Item 7 on the Documents/Records submitted in this Batch, as we read them)** $ _____

5. **Adjustments We Made**

   a. Changes we made because of Documents/Records we rejected (counted in 2a) $ _____ –

   b. Changes we made because of Documents/Records we accepted with assumptions (counted in 2b) $ _____ –

   c. Changes we made because of Documents/Records for duplicates (counted in 2c) $ _____ –

   d. Total Payments we previously accepted for students submitted in this Batch (not including duplicates in 5c) $ _____ –

   e. Total of the adjustments we made (Sum of 5a, 5b, 5c, and 5d) $ _____

6. **Net Adjustment to your Payment data as a result of this Batch (Difference between 4 and 5e)** $ _____

ED FORM 255-3c 6/88

U.S. DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION
OFFICE OF STUDENT FINANCIAL ASSISTANCE

1988-89 AWARD YEAR

PELL GRANT PROGRAM

STATEMENT OF ACCOUNT

SAMPLE SCHOOL NINE
P.O. BOX 290
CHARLESTON WV 24730

Pell Institution Number 019999

Entity Number 186027618GA1

Document Number P063P80245

1. General Information

Previous Authorization	$0	FMS Funding Method	CASH REQUEST
Pell Grant Authorization	$10,000	Date of This Authorization	05/20/88
Adjustment (Increase + or Decrease -)	$10,000+	Closing Date of Last Statement	
Unexpended Balance as of Closing Date	$10,000+	Closing Date of This Statement	07/01/88
Administrative Allowance		Total Unduplicated Recipients Year-to-Date	0

This Statement of Account shows you the status of your account for the Pell Grant Program for the award year shown above. This Statement of Account reflects your authority to make payments to eligible students who have a valid Student Aid Report (SAR). You may only make payments up to the amount given in the line labeled "Pell Grant Authorization" above.

Your authority to make payments is governed by the pertinent laws, applicable regulations, and your institutional agreement with the Department of Education. Changes in your Pell Grant Authorization are based on the Payment Documents you send in for students who are attending your school. If you do not comply with Program reporting requirements, we may withhold further funds.

2. Summary of Your Payment Reporting

IPS Date (Item 16 of your IPS)	Net Adjustment (Item 6 from your IPS Batch Report)

3. Distribution of Your Payments

Month	Amount	Cumulative Amount

Review this Statement carefully. Please notify the Pell Grant Program if there are problems with this account.

NOTICE See back of this page for important information.

ED 255-E (5/86)

CENTRAL ADMINISTRATIVE OFFICE (REPORTING CAMPUS)
PELL INST NO
019999
SAMPLE SCHOOL WIRE
P O BOX 290
CHARLESTON WV 24730

REPORT FOR STUDENTS ATTENDING
PELL INST NO 019999
SAMPLE SCHOOL WIRE
P O BOX 290
CHARLESTON WV 24730

U. S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
WASHINGTON, D.C.

PELL GRANT PROGRAM
STUDENT PAYMENT SUMMARY

1988-89

TYPE OF REPORT CERTIFICATION 89 ROSTER

DATE OF REPORT AUGUST 9, 1988 PAGE 1

ED CYCLE 01

PROCESSED PAYMENT DOCUMENT/RECORD INFORMATION | ED USE ONLY

STUDENT NAME	SOC SEC NO OR PELL ASSIGNED ID	DATE OF BIRTH	TRANS NO	STUDENT AID INDEX	(2) ACAD CAL	(3) COST OF ATTENDANCE	(4) VERIFI-CATION STATUS	(5A) ENROLL-MENT STATUS	(5B) HOURS EXPECTED TO COMPLETE	(5C) HOURS IN SCHOOL ACAD YEAR	(10) FAA ADJUSTED SAI	(10) FAA ADJUST. REASON	(10-6) SECONDARY SAI	(8+7) TOTAL PAYMENT AMOUNT	REC STA	BATCH NO	SAR RECORD ID	SEQ NO	ACT
ALBERT HALL FA MEM 3 E3 6 SC B	900-60-0407	11/11/52	01	1078+ WV 20910	5	B $2,600 STATE OF LEGAL RESIDENCE WV	S		500	1000	0105	3	01078	$795	A	88147007	2006004078A101	01	<
BUS KIDS EFI-I	991-64-0201	04/07/67 LA	02	0528+ MD 22224	4	$1,800 STATE OF LEGAL RESIDENCE MD	R	3/4			3500	2	00631	$0	E	88190554	0015402018U02	01	<
BAY OF AFI	INFAMY	991-62-0817	04/07/67 LA	01 MD 22224	0809+	2	$2,800 STATE OF LEGAL RESIDENCE MD	?	FULL			6	00900	$200	I	88190554	0015208172A01	01	<
LAKE OF 024LBL 022EF	THE WOODS NONTAXFIL FLAG S C(87)	900-24-2302	07/22/65	01 VA 20904	0808	1	D- $1,200 STATE OF LEGAL RESIDENCE VA	N		22	25	0501	5		$816	A	88147007	3002423921A01	01	<
LEWIS TSC O INDEP	JERRY LEE	900-01-1515	01/01/83 NOT SEL	01 MD 20816	0833+	3	$1,400 STATE OF LEGAL RESIDENCE MD	C	1/2				08032	$200	I	88153554	1800117515LE01	01	<
LOVE TRACTOR AFI-I		991-64-0102	04/07/67 SAI FORMULA	01 MD 22224	1615+	2	$3,801 STATE OF LEGAL RESIDENCE TN	A	FULL			5708	3	00516	$0	E	88190554	0015402021L001	02	<
MOBY GRAPE AFI-I		991-64-0101	04/07/67 SAI FORMULA	01 MD 22224	0809+	1	$601 STATE OF LEGAL RESIDENCE MD	S		15	33		6	00042	$177	A	88190554	0015402019M001	02	<
PEACH ORCHARD 025A PDS. 024 NEG. COMPUTED		900-24-6014	07/22/65 TAA IS 0	01 VA 20904	0183	5	$3,700 STATE OF LEGAL RESIDENCE VA	N		1000	1000	0401	4		$1,750	A	88147007	3002460149E01	01	<
SHILOH CHURCH 025A PDS. 024 NEG. COMPUTED		900-24-6013	07/22/65 TAA IS 0	01 VA 20904	0180	5	$1,710 STATE OF LEGAL RESIDENCE VA	A		750	1000	0201	3		$784	I	88147007	3002460135H01	01	<
STAIRS A UP MOD Y REJ NOT 2/3 ONLY		993-29-7503	08/14/51 COMMENT 133	01	0000+ MD 21043	4	B $2,600 STATE OF LEGAL RESIDENCE VA	C	FULL						$500	A	88147007	3032075035T01	01	<

ED FORM 255-4 4/85

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT OF 1974. DISCLOSURE ACCOUNTING REQUIRED

CENTRAL ADMINISTRATIVE OFFICE (REPORTING CAMPUS):
PELL INST. NO.: 019999
SAMPLE SCHOOL WIDE
P.O. BOX 290
CHARLESTON WV 24730

REPORT FOR STUDENTS ATTENDING
PELL INST. NO.:

U. S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
WASHINGTON, D.C.

PELL GRANT PROGRAM
STUDENT PAYMENT SUMMARY

1988-89

TYPE OF REPORT CERTIFICATION 89 ROSTER

DATE OF REPORT AUGUST 9, 1988

ED CYCLE 01

SUMMARY DATA

INFORMATION REPORTED ON YOUR LATEST INSTITUTIONAL PAYMENT SUMMARY DATED 07/01/88

TOTAL PAYMENTS TO DATE TO PELL RECIPIENTS PER SCHOOL RECORDS (ITEM 5)	$800

INFORMATION SUMMARIZED FROM PROCESSED PAYMENT DOCUMENTS/RECORDS ON THIS REPORT

TOTAL AMOUNT PAID TO DATE (ITEM 6)	$3,298
TOTAL REMAINING AMOUNT TO BE PAID (ITEM 7)	$1,728
TOTAL PAYMENT AMOUNT (ITEM 6 + ITEM 7)	$5,026
TOTAL UNDUPLICATED RECIPIENTS	10
TOTAL ACTIVE STUDENT RECORDS	10
TOTAL RECORDS ON THIS REPORT	10
TOTAL NUMBER OF ATTENDED CAMPUSES	0

INFORMATION SUMMARIZED FROM ITEM 2 OF YOUR IPS BATCH REPORTS

REJECTED (2A)	4
ACCEPTED WITH ASSUMPTIONS (2B)	7
DUPLICATES (2C)	2
ACCEPTED (2D)	7
TOTAL PROCESSED PAYMENT DOCUMENTS/RECORDS (2E)	20

2

ED FORM 255-4 4/85

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT OF 1974 - DISCLOSURE ACCOUNTING REQUIRED

Fourteen-14

CENTRAL ADMINISTRATIVE OFFICE (REPORTING CAMPUS):
PELL INST NO 019999
SAMPLE SCHOOL NINE
P O BOX 290
CHARLESTON WV 24730

REPORT FOR STUDENTS ATTENDING
PELL INST NO

U. S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
WASHINGTON, D.C.

PELL GRANT PROGRAM
STUDENT PAYMENT SUMMARY

1988-89

TYPE OF REPORT CERTIFICATION 89 ROSTER

DATE OF REPORT AUGUST 9, 1988

PAGE 3

ED CYCLE 01

SUMMARY DATA

STUDENT AID INDEX AND PAYMENT AMOUNT STATISTICS

SAI RANGE	ACTIVE STUDENT RECORDS	AVERAGE PAYMENT AMOUNT
0	1	$ 500
1 - 100	2	$ 189
101 - 500	3	$1,111
501 - 900	2	$ 408
901 - 1300	0	$ 0
1301 AND ABOVE	2	$ 0

OVERALL AVERAGES FOR 10 STUDENTS:

SAI = 1139

PAYMENT = $ 503

COST OF ATTENDANCE STATISTICS

AMOUNT	ACTIVE STUDENT RECORDS
$ 0 - $1000	1
$1001 - $2000	4
$2001 - $3000	3
$3001 - $4000	2
$4001 - $6000	0
$6001 - $8000	0
$8001 AND ABOVE	0

COST = $ 2,221

VERIFICATION STATUS STATISTICS

TYPE	ACTIVE STUDENT RECORDS
N - NOT SELECTED	3
A - ACCURATE	2
W - WITHOUT DOCUMENTATION	0
T - TOLERANCE	1
C - CALCULATED	2
R - REPROCESSED	1
S - SELECTED, NOT VERIFIED	2

FREQUENCY DISTRIBUTION FOR STANDARD COST USAGE

AMOUNT	ACTIVE STUDENT RECORDS
A - $ 8,200	0
B - $ 2,600	2
C	
D - $ 1,200	1
E	
F	
G	
H	
I	
J	

FAA SAI ADJUSTMENT STATISTICS

TYPE	ACTIVE STUDENT RECORDS
1 - PARENTAL CONTRIBUTION	0
2 - FORMULA	1
3 - PRODUCT	3
4 - PROJECTED YEAR DATA	1
5 - DATA ELEMENT	1
6 - SECONDARY SAI USED	2

ED FORM 255-4 4/85

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT OF 1974. DISCLOSURE ACCOUNTING REQUIRED

8/20/88

CENTRAL ADMINISTRATIVE OFFICE (REPORTING CAMPUS)
PELL INST NO 019999
SAMPLE SCHOOL NINE
P O BOX 290
CHARLESTON WV 24730

REPORT FOR STUDENTS ATTENDING:
PELL INST NO

U. S. DEPARTMENT OF EDUCATION
OFFICE OF POSTSECONDARY EDUCATION
WASHINGTON, D.C.

PELL GRANT PROGRAM
STUDENT PAYMENT SUMMARY

1988-89

TYPE OF REPORT CERTIFICATION 89 ROSTER

DATE OF REPORT AUGUST 9, 1988

ED CYCLE 01

SUMMARY DATA

RECIPIENT COMMENTS SUMMARY STATISTICS

COMMENT TEXT	NUMBER OF TIMES USED
PELL INSTITUTION NUMBER OF CAMPUS ATTENDED INVALID - ASSUMPTION APPLIED	1
ACADEMIC CALENDAR INVALID - DEFAULT OR ASSUMPTION APPLIED	0
COST OF ATTENDANCE INVALID - ASSUMPTION APPLIED	1
VERIFICATION STATUS CODE INVALID - ASSUMPTION APPLIED	2
ENROLLMENT STATUS INVALID - ASSUMPTION APPLIED	1
ENROLLMENT STATUS NOT APPLICABLE - DATA IGNORED	0
HOURS EXPECTED TO COMPLETE IN ALL PAYMENT PERIODS INVALID - ASSUMPTION APPLIED	1
HOURS EXPECTED TO COMPLETE IN ALL PAYMENT PERIODS NOT APPLICABLE - DATA IGNORED	1
HOURS IN SCHOOL ACADEMIC YEAR INVALID - DEFAULT OR ASSUMPTION APPLIED	0
HOURS IN SCHOOL ACADEMIC YEAR NOT APPLICABLE - DATA IGNORED	1
AMOUNT PAID TO DATE INVALID - ASSUMPTION APPLIED	2
ADJUSTMENT CODE INVALID - NO RECOVERY APPLICABLE	1
ADJUSTMENT CODE INVALID - RECOVERY APPLICABLE	0
REMAINING AMOUNT TO BE PAID INVALID - ASSUMPTION APPLIED	5
NUMBER OF MONTHS IN WHICH REMAINING PAYMENTS WILL BE MADE INVALID - ASSUMPTION APPLIED	3
NUMBER OF MONTHS INCONSISTENT WITH REMAINING AMOUNT TO BE PAID - ASSUMED STUDENT PAID IN FULL	0
MONTHS IN WHICH REMAINING PAYMENTS WILL BE MADE INVALID - ASSUMPTION APPLIED	3
MONTHS IN WHICH REMAINING PAYMENTS WILL BE MADE INCONSISTENT WITH REMAINING AMOUNT TO BE PAID - ASSUMED STUDENT PAID IN FULL	0
DATE ENROLLED INVALID	1
VERIFICATION WORKSHEET COMPLETED CODE INVALID - ASSUMPTION APPLIED	1
30% VERIFICATION LIMIT ASSUMPTION APPLIED	2
FAA ADJUSTED SAI CATEGORY INVALID - ASSUMPTION APPLIED	2
FAA ADJUSTED SAI INVALID - ASSUMPTION APPLIED	1
FAA ADJUSTED SAI OR SECONDARY SAI INVALID - RECORD REJECTED	2
FAA ADJUSTED SAI AND CATEGORY INCONSISTENT - FAA ADJUSTED SAI IGNORED	1

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT OF 1974 - DISCLOSURE ACCOUNTING REQUIRED

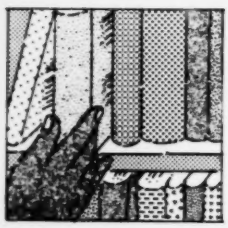
PELL GRANT DISBURSEMENT SYSTEM FORMS

NAME OF FORM	WHERE IT COMES FROM	WHEN IT COMES	WHAT IT IS FOR	WHAT TO DO WITH IT	WHERE TO SEND IT	WHEN TO SEND IT
Student Aid Report (SAR)						
o Part 1: Eligibility Letter	Eligible student submits 3 parts to institution	As received by student	Institutional record	Retain at institution	N/A	N/A
o Part 2: IRF			Student's review	Give to student	N/A	N/A
o Part 3: Payment Document			To obtain funds for student	Batch together with 2 copies of IPS	Pell Grant Program P.O. Box 1400 Merrifield, VA 22116-1400	Beginning of first payment period and revised if necessary
Pre-Award Institutional Payment Summary (IPS)	ED	Before beginning of award year	To provide standard information & reduce coding on your Payment Documents	Complete Section I only	Same as above	Before beginning of award year
Institutional Payment Summary (IPS)	ED	Beginning of award year and following each submission of an IPS	A transmittal document to accompany Payment Documents	Review Section I and complete Section II	Same as above	Submitted at least once during each required reporting period
IPS Batch Report	ED	Following each submission of an IPS	To help you reconcile your last batch of Payment Documents	Reconcile your Payment Documents	Retain in your files	N/A
Processed Payment Document	ED	Following each submission of an IPS	One for each original Payment Document submitted	File in student's file or correct or adjust for submission with next IPS	Retain in your files or mail to Pell Grant program as above	As batched either separately or with new Payment Documents
Processed Payment Document Separator Page	ED	Following each submission of an IPS	Classifies returned Processed Payment Documents according to IPS Batch Report	Review it	Retain in your files	N/A
Statement of Account	ED	At least monthly	To set authorization level and project future adjustments to your payments	Review and send copy to your business office to obtain funds	Retain in your files	N/A
Student Payment Summary	ED	Mid-year and end-of-year; also upon request	Provides listing of students and awards paid to date	Review it	Retain in your files	N/A

14.2 CAMPUS-BASED PROGRAM AUTHORIZATIONS

In Module 12, we discussed campus-based authorizations, including the following features:

- ✧ the separate authorizations for the SEOG, CWS, and Perkins Loan programs, covering a full award year;
- ✧ the carry forward and carry back options for the CWS program, allowing the use of funds in the previous or following year;
- ✧ the option to transfer up to 10% of funds between the SEOG and CWS programs;
- ✧ the institutional fund-matching requirements for the CWS and Perkins Loan programs; and
- ✧ the administrative cost allowance which may be taken from campus-based program funds.



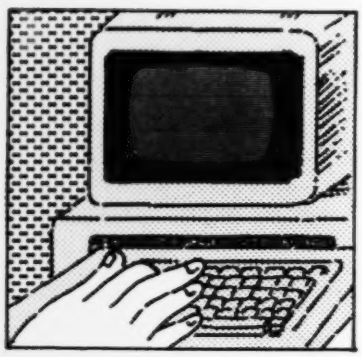
For funding procedure legislation, see Sections 413 D (SEOG), 442 (CWS), and 462 (Perkins) of the Higher Education Amendments of 1986, as amended.

As explained in Module 12, an institution is provided with a maximum expenditure authorization for each of the campus-based programs in which it participates. Careful administration of both awarding and the use of the administrative cost allowance is required to keep expenditures within the limits of yearly allocations.

14.2.1 Basic Funding Procedures

The main steps in the funding process are as follows:

- ✧ The institution sends an annual application (the Fiscal Operations Report and Application to Participate) to the Department of Education to request funding levels for campus-based programs in the upcoming award year by the established deadline. FISAP information may be submitted to ED by electronic transmission or by paper through the mail. The electronic method is available to institutions which have the necessary computer equipment. For more information regarding electronic transmission, write to: Electronic FISAP, Department of Education, Campus-Based Programs Branch, ROB-3, Room 4651, Washington, D.C. 20202.



- ✧ The information reported on the FISAP is edited by computer at the Department of Education and the edited data are sent back to the school during the months of October and November. The school reviews the edit report, corrects any erroneous data, and returns the report to ED for further processing by December 15.

- ✧ The FISAP is processed by the Department of Education. Two formulas are used to determine authorizations. One formula determines the institution's need for SEOG funds, while the other formula determines the amounts needed for the Perkins Loan and CWS programs. The tentative funding levels that are established will take into consideration both the needs for the programs at the institution and the amount appropriated by Congress for each program.

- ✧ Schools are notified by ED of tentative funding levels for each campus-based program by February 1. The Pell Grant Payment Schedule for the upcoming award year is also released by this date.

- ✧ Notifications of final authorizations for the upcoming award year are mailed to institutions by April 1.

The dates by which the Department of Education will complete each procedure are listed in ED's master calendar.

See Module 15, Section 15.1, for more information on ED's *master calendar.*

ED asks schools in June of each year to release any part of an authorization that has not been spent by June 30. For example, if a school's records show that it has used only $8,000 of a $10,000 SEOG authorization, it should release $2,000. Institutions receive instructions each year on how to release authorized funds.

When an institution releases funds, ED "deobligates" the amount from the institution's authorization.

14.2.2 The Fiscal Operations Report and Application to Participate (FISAP)

Institutions participating in campus-based programs file the FISAP each fall. The form is sent to the institution and, as specified in the master calendar, must be returned to ED by the specified deadline, no later than October 1. The information summarized on the FISAP serves as an application for campus-based funds for the upcoming year and provides an annual report of financial and enrollment activity for the previous award year. Institutions report

- The 1988 FISAP must be mailed no later than September 16, 1988. (For the Electronic FISAP, the date is September 30, 1988.)

- Information on this FISAP summarized data for the *previous* award year, 1987-88; this information was the basis for the *coming* (1989-90) award year authorization.

the prior year's tuition and fee income, enrollment, and use of state, campus-based, and Pell Grant funds.

As an example, a FISAP completed during the fall of 1988 will report information for the 1987-88 award year, although some Perkins Loan reporting includes data from prior periods as well. Data reported on this FISAP will be used by ED to set an institution's campus-based funding levels for the 1989-90 award year.

Although institutions applying for the first time will not have Title IV program information to report for the previous award year, they must still complete the FISAP, following the instructions provided. Assistance in completing the FISAP is available from ED staff in Washington and the regional offices.

14.2.3 Responsibility for the FISAP

To complete the FISAP, information must be gathered from several institutional offices. The financial aid and fiscal offices bear the greatest responsibility for gathering data and compiling it for the FISAP. The following offices may also be involved:

- the registrar's office--providing information on enrollment in the previous award year for Part II, Section C of the FISAP;
- the admissions office--providing enrollment projections for the upcoming year, also for Part II, Section C (new applicants only); and
- the loan office (if you have one)--providing Perkins Loan information for Part III.

14.2.4 An Overview of the FISAP

In the next few pages, we will review the FISAP. Read each page of the report, noting the items for which participating institutions must provide data. Marginal notes will highlight certain items to tie them to previous discussions in other modules or to elaborate on certain points.

Remember that our presentation is intended only to provide an introduction and overview of the FISAP. Detailed instructions for each of the items on the FISAP are included in the complete FISAP package which is sent to schools by ED--they will not be repeated here. *Do not*

attempt to complete the FISAP without a careful review of the detailed instructions in the full FISAP package.

As you note the information requested on the FISAP, consider the organized recordkeeping that is necessary to fill out this report accurately and completely. Consider, too, the financial accounting necessary to ensure that your institution has not overspent its authorization and that funds have been correctly matched, transferred, and carried forward or back.

The Legal Reason Why You Must Complete the Application

The law says that if we do not receive a completed application form by the deadline date on the cover of this package, you cannot be assured that your institution will be allocated funds for any one of the campus-based programs. (If you want to request a level of expenditure for the Perkins Loan Program, even if you need no new Federal funds, you must file an application.) Perkins Loan (34 CFR 674.3) (20 U.S.C. 1087bb), CWS (34 CFR 675.3) (42 U.S.C. 2752), SEOG (34 CFR 676.3) (20 U.S.C. 1070b-3).

The Legal Reason Why You Must Complete the Fiscal Operations Report

Federal regulations say that if you spent funds in 1987-88 or have a Perkins Loan fund, you must file a fiscal operations report. Perkins Loan (34 CFR 674.19), CWS (34 CFR 675.19), SEOG (34 CFR 676.19), (20 U.S.C. 1094).

Contents

What you will find in this package:	page:
Information about the FISAP	1-3
PART I Identifying Information, Certifications and Warning	
Instructions	4
Form	9
PART II Application to Participate	
Instructions	5-8
Form	11-13
PART III Perkins Loan Program Report	
Instructions	15-21
Form	29-33
PART IV SEOG Program Report	
Instructions	22-23
Form	35
PART V College Work-Study Program Report	
Instructions	24-26
Form	37-39
PART VI Program Summary	
Instructions	27-28
Form	41-43
Campus-Based State Representatives	45

FISAP Contents Page

We'll begin our discussion of the FISAP with the contents page (above). Also, an excerpt from the instructions is reprinted below:

What does the Department of Education do with the information on this form?

The Department of Education uses the information that you provide in the Application to Participate and in the Fiscal Operations Report to determine the amount of funds you will receive for each program. You must provide accurate data. If you do not give us accurate data, you may not get all of the funds that you are entitled to receive. You must retain auditable and verifiable workpapers for program review and audit purposes.

The Department of Education also uses your institution's serial and entity numbers to identify your institution in our computer system. If you do not give us the correct numbers, you may not receive your funds.

Note that the excerpt reproduced above tells schools that they must retain the work papers used to complete the report for audit and program review purposes.

The 1988 FISAP reports data for the 1987-88 award year and is an application for campus-based funds for the 1989-90 award year. The FISAP form is periodically revised and may change from year to year.

Important Note: The FISAP package provides detailed instructions for each section. Those instructions are not repeated here. Instead, we have aimed at providing an overview of the FISAP with introductory comments to help you understand certain aspects of the FISAP report as you review it here.

Application and Fiscal Operations Report (FISAP)

OMB No. 1840-0073
Expires 6/30/89

APPLICATION: Award Period July 1, 1989–June 30, 1990; REPORT: Award Period July 1, 1987–June 30, 1988

Part I. Identifying Information, Certifications and Warning

Section A. Identifying Information

1. Name and Address of Institution

_____
_____
_____
_____
_____
_____

2. Serial No. _ _ _ _ (4 digits)

3. Entity No. 1-_ _-_ _ _ _-_ _ _ _-_ _ (11 digits)

Branch or Multi-Campuses:
Institutions with separately eligible branch campuses which will be funded under this application must list these locations and their addresses on an attached separate sheet. You may not file a separate application for any separately eligible institution listed herein.
I have attached a separate list of branch campuses. ☐ Yes ☐ No

4. Type of Institution (X one)
- ☐ 4.1 Public
- ☐ 4.2 Private Non-Profit
- ☐ 4.3 Proprietary
  - ☐ a) Art
  - ☐ b) Business
  - ☐ c) Cosmetology
  - ☐ d) Trade & Technical
  - ☐ e) Other

5. Length/Type of Program ("X" one)
- ☐ 5.1 Less than 1 year
- ☐ 5.2 1 year but less than 2 years
- ☐ 5.3 2 years but less than 3 years
- ☐ 5.4 3 years but less than 4 years
- ☐ 5.5 4 years (Baccalaureate Degree granting only)
- ☐ 5.6 5 years or more
- ☐ 5.7 Postbaccalaureate only

Section B. Certifications and Warning

We certify that the information contained in this form is in compliance with governing legislation and regulations and is true and accurate to the best of our knowledge. We understand that the information is subject to audit and program review by representatives of the Secretary of Education.

WARNING: Any person who knowingly provides false or misleading information on this form will be subject to a fine of up to $10,000 or to imprisonment of up to 5 years or to both under provisions of the United States Criminal Code Title 18 Section 1001.

6. President of Institution

Signature _____ Date Signed _____

Typed name _____ Telephone no. _____ (area code - number - extension)

7. Financial Aid Administrator

Signature _____ Date Signed _____

Typed name _____ Telephone no. _____ (area code - number - extension)

8. Chief Fiscal Officer

Signature _____ Date Signed _____

Typed name _____ Telephone no. _____ (area code - number - extension)

FISAP Part I. Identifying Information, Certifications and Warning

Note the application award period and report award period for this FISAP (just before the heading for Part I).

Section A--Identifying Information

Branch or Multi-Campuses (following Item 3): For institutions with branch or multiple campuses, separately eligible campuses are those for which the institution has separate letters of eligibility but which will be jointly funded by a single authorization for each program.

Item 4--Type of Institution: This refers to the definition used to describe your institution. See Module 5 for a review of institutional definitions.

Section B--Certifications and Warning

Application

OMB No 1840-0073
Expires 6/30/89

Name of Institution and State _____ Serial Number _____ Entity Number 1 - _ _ - _ _ _ - _ _ _ - _ _ _ - _ _

Part II. Application to Participate — For Award Year July 1, 1989 Through June 30, 1990

Section A. Request for Funds for the 1989-90 Award Year

1. Perkins Loan Level of Expenditures $_____
2. Perkins Loan Federal Capital Contribution $_____
3. SEOG Federal Funds $_____
4. CWS Federal Funds $_____

Section B. CWS and/or SEOG Institutional Share Waiver Request

(Applies only to certain institutions, see instructions)

5. I wish to apply as an institution designated as eligible for Title III.
   - 5.1 CWS ☐ Yes ☐ No
   - 5.2 SEOG ☐ Yes ☐ No

ED Form 646-1, 6/88

FISAP Part II. Application to Participate

Section A--Request for Funds for the 1989-90 Award Year

The amounts requested are entered in Section A. If the institution enters "0" for a program it will not receive an authorization. Otherwise, the institution enters requested funding levels. The actual authorized amounts will be computed by ED and may differ from the requests.

Section B--CWS and/or SEOG Institutional Share Waiver Request

Section C. Information on Enrollment

(Institutions with TRADITIONAL CALENDAR)

Institutions that had 1987-88 enrollment, fill in line 6

		(a) Undergraduate	(b) Graduate/Professional
6.	Total number of students, 1987-88		

Institutions that did not have 1987-88 enrollment, fill in lines 7 and 8.

		(a) Undergraduate	(b) Graduate/Professional
7.	Estimated number of students, 1988-89		
8.	Projected number of students, 1989-90		

(Institutions with NON-TRADITIONAL CALENDAR)

		(a) Continuing Students	(b) New Starts
9.	July 1, 1987		
10.	August 1		
11.	September 1		
12.	October 1		
13.	November 1		
14.	December 1		
15.	January 1, 1988		
16.	February 1		
17.	March 1		
18.	April 1		
19.	May 1		
20.	June 1, 1988		
21.	Total		

Section D. Assessments and Expenditures

		(a) Undergraduate	(b) Graduate/Professional
22.	Total tuition and fees for the Award Year July 1, 1987-June 30, 1988	$	$
23.	Total Pell expenditures for the 1987-88 Pell Grant Award Year	$	
24.	Total expended for State grants and scholarships made to undergraduates for the Award Year July 1, 1987 to June 30, 1988;	$	

Section E. Information on Eligible Aid Applicants for Award Year 1987-88

	Taxable & Non-taxable Income	(a) DEPENDENT Undergraduate	(b) Graduate/Professional	Taxable & Non-taxable Income	(c) INDEPENDENT Undergraduate	(d) Graduate/Professional
25.	$ 0-$ 2,999			$ 0-$ 999		
26.	3,000- 5,999			1,000- 1,999		
27.	6,000- 8,999			2,000- 2,999		
28.	9,000- 11,999			3,000- 3,999		
29.	12,000- 14,999			4,000- 4,999		
30.	15,000- 17,999			5,000- 5,999		
31.	18,000- 20,999			6,000- 6,999		
32.	21,000- 23,999			7,000- 7,999		
33.	24,000- 26,999			8,000- 8,999		
34.	27,000- 29,999			9,000- 9,999		
35.	30,000- 32,999			10,000- 10,999		
36.	33,000- 35,999			11,000- 11,999		
37.	36,000- 38,999			12,000- 12,999		
38.	39,000- 41,999			13,000- 13,999		
39.	42,000- 44,999			14,000- 14,999		
40.	45,000 & OVER			15,000 & OVER		
41.	Total			Total		

FISAP Part II. (continued)

Section C--Information on Enrollment

This section provides space for traditional and nontraditional schools to report the enrollment data ED needs to compute the institution's campus-based allocations.

Section D--Assessments and Expenditures

The data in this section are used by ED to compute a school's need for SEOG, Perkins Loan, and CWS funds.

Section E--Information on Eligible Aid Applicants

This section gives ED demographic information on your applicant population. ED uses this data to determine the authorizations for the SEOG, CWS, and Perkins Loan programs.

For FISAP purposes, eligible aid applicants are students who: were enrolled in an eligible program during the previous award year; met citizenship or residency requirements; applied for aid; and for whom *all* data necessary to determine an expected family contribution (EFC) with a certified need analysis system are on file. This may include students who did not receive aid, or did not show need, as long as the criteria above are met and documented within each student's records. Note that full-time and less-than-full-time students must be reported.

Institutions with automated systems can create a data base for use in this report--adding taxable and nontaxable income, and sorting and totaling the number of applicants by each income level. Institutions using manual systems must also record this information in a format that will make it readily accessible. Remember, data used to complete the FISAP must be kept for review by auditors and ED program review staff.

Fiscal Operations Report

OMB No. 1840-0073
Expires 6-30-89

Name of Institution and State _____ Serial Number _____ Entity Number 1 - _____

Part III. Perkins Loan Program

SECTION A – FISCAL REPORT *(CUMULATIVE)* AS OF JUNE 30, 1988

LINE	ITEM a		NO. OF BORROWERS b	DEBIT BALANCES c	CREDIT BALANCES d
1	CASH ON HAND AND IN DEPOSITORY			$	
2	FUNDS RECEIVABLE FROM FEDERAL GOVERNMENT			$	
3	FUNDS RECEIVABLE FROM INSTITUTION			$	
4	FUNDS ADVANCED TO STUDENTS			$	
5	LOAN PRINCIPAL COLLECTED				$
5.1	DEFAULTED LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE UNITED STATES				$
6.4	LOAN PRINCIPAL CANCELLED ON LOANS MADE PRIOR TO JULY 1, 1972 *(control)*				$
7.1	TEACHING SERVICE - 15% RATE	$			
7.2	TEACHING SERVICE - 20% RATE	$			
7.3	TEACHING SERVICE - 30% RATE	$			
7.4	MILITARY SERVICE - 12½% RATE	$			
7.5	LOAN PRINCIPAL CANCELLED ON LOANS MADE JULY 1, 1972 AND AFTER *(control)*				$
8.1	VOLUNTEER SERVICE - 15% RATE	$			
8.2	VOLUNTEER SERVICE - 20% RATE	$			
8.3	LOAN PRINCIPAL CANCELLED - FOR VOLUNTEER SERVICE *(control)*				$
8&9	LOAN PRINCIPAL CANCELLED – DEATH/DISABILITY				$
10	LOAN PRINCIPAL CANCELLED – BANKRUPTCY				$
11	LOAN PRINCIPAL ADJUSTMENTS – OTHER				$
12	FEDERAL CAPITAL CONTRIBUTIONS				$
13	REPAYMENTS OF FUND CAPITAL TO FEDERAL GOVERNMENT			$	
14	INSTITUTIONAL CAPITAL CONTRIBUTIONS				$
15	REPAYMENTS OF FUND CAPITAL TO INSTITUTION			$	
16	INTEREST INCOME ON LOANS				$
17	OTHER INCOME				$
18	REIMBURSEMENTS TO THE FUND OF AMOUNTS CANCELLED ON LOANS MADE JULY 1, 1972 AND AFTER				$
19.1	COST OF LITIGATION	$			
19.2	ADMINISTRATIVE EXPENSES	$			
19.3	OTHER COLLECTION COSTS	$			
19.4	COSTS OF LITIGATION, ADMINISTRATIVE EXPENSES, AND OTHER COLLECTION COSTS *(control)*			$	
20&21	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING/MILITARY SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972			$	
22	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$	
23	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE JULY 1, 1972, AND AFTER			$	
24.1	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF VOLUNTEER SERVICE IN THE PEACE CORPS OR THE DOMESTIC VOLUNTEER SERVICE ACT OF 1973			$	
24&25	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DEATH/DISABILITY			$	
26	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF BANKRUPTCY			$	
27	COST OF DEFAULTED LOAN PRINCIPAL AND INTEREST ASSIGNED TO AND ACCEPTED BY THE UNITED STATES			$	
27.1	OTHER COSTS OR LOSSES *(Specify)*			$	
28	TOTAL DEBITS AND CREDITS *(sum of lines 1 through 27.1)*			$	$

FISAP Part III. Perkins Loan Program

Section A--Fiscal Report (Balance Sheet)

Review items 1-28 of Section A of the Perkins Loan report. The institution reports cumulative information since it began participating in the Perkins Loan program.

Detailed fiscal reports must be kept for each entry, requiring accurate recordkeeping throughout the period in which the school participates in the Perkins Loan program. Generally, such records are maintained by the business and financial aid offices (unless the school has a separate loan office).

The Perkins Loan program operates as a "revolving fund," cycling funds into the program and out again as loans, repayments, and administrative expenses. Items 1-18 report cumulative funds available to the program from the contributing sources, funds that will not be "recycled" due to allowable cancellations and defaults, and funds loaned to students. For more information about the Perkins Loan program, refer to Module 12, Campus-Based Programs: SEOG, CWS, and Perkins Loan.

Item 12--Federal Capital Contributions (FCC): This item reports all Federal Capital Contributions received by the institution. This is a cumulative figure representing all past Perkins Loan allocations to the institution from ED.

BEST COPY AVAILABLE

Fiscal Operations Report, Part III

OMB No 1840-0073
Expires 6/30/89

Name of institution and State _____ Serial Number _____ Entity Number 1-___-____-____-__

Section B. Fund Activity (Annual) During the 1987-88 Award Year (July 1, 1987 through June 30, 1988)

		Amount
1. Final adjusted Federal Capital Contribution authorization	____ date of adj	$_____
2. Amount of adjusted authorized Federal Capital Contribution for Award Year 1987-88 **not requested** from ED/PMS by June 30, 1988		$_____
3. Loans advanced to students from the loan fund during the 1987-88 Award Year (minus 1987-88 Award Year refunds)		$_____
4. Administrative cost allowance for the 1987-88 Award Year (see instructions)		$_____
	Number of Borrowers (a)	Amount (b)
5. Total principal and interest repaid by borrowers from all sources during the 1987-88 Award Year	_____	$_____

FISAP Part III. Perkins Loan Program (continued)

Section B--Fund Activity (Annual)

The report on the previous page gave cumulative data for the Perkins Loan program. This page reflects annual activity of the "revolving fund."

Fiscal Operations Report, Part III

OMB No. 1840-0073
Expires 6/30/89

Name of Institution and State _____ **Serial Number** _____ **Entity Number** 1-_ _-_ _ _-_ _ _-_ _ _-_ _

SECTION C – CUMULATIVE REPAYMENT INFORMATION AS OF JUNE 30, 1988

STATUS OF BORROWERS AS OF JUNE 30, 1988	NUMBER OF BORROWERS b	AMOUNT LENT c	PRINCIPAL AMOUNT OUTSTANDING d
1 Borrowers whose loans are fully retired			
2 Borrowers whose defaulted loans were referred to and accepted by the U.S. (see instructions)			
3 Borrowers whose defaulted notes were assigned by February 15, 1988 and accepted by the Department of Education			
4.1 Student status at your institution or at another institution			
4.2 First grace period			
4.3 Deferment and other grace periods			
4.4 Total borrowers not in repayment status (sum of lines 4.1 through 4.3)			
5 Borrowers on schedule in repayment status			
6.1 Past Due Less than 120 days (monthly installments)			
6.2 Past Due Less than 180 days (other installments)			
6.3 Total borrowers whose accounts were in default/pastdue but not used in computing the default rate (sum of lines 6.1 and 6.2)			
7.1 120 days or more up to 2 years (monthly installments)			
7.2 180 days or more up to 2 years (other installments)			
7.3 More than 2 years up to 4 years			
7.4 More than 4 years up to 9 years			
7.5 More than 9 years			
7.6 Total borrowers whose accounts were in default & used in computing the default rate (sum of lines 7.1 through 7.5)			
8 Total			

9. **Calculating the Default Rate** (Defaulted Principal Amount Outstanding / Matured Loans X 100 = Default Rate)

Part III, Section C, Line 7.6, Column d _____

_____ X 100 = _____ %

Part III, Section A, Line 4, Column c minus the sum of Part III, Section C, Line 4.1, Column c, and Line 4.2, Column c _____

FISAP Part III. Perkins Loan Program (continued)

Section C--Cumulative Repayment Information

This report is an analysis of the repayment status for all Perkins Loan borrowers (past and current). A retired loan (Item 1) is one that has been repaid completely or cancelled. Loans that have been assigned or referred to the Department of Education (Items 2 and 3) are defaulted loans that the institution has turned over to ED for further collection attempts. Under the referral process, the institution retained the promissory note and was given a portion of the proceeds successfully collected by ED. The referral process has been replaced by "assignment," which turns over to ED the promissory note, responsibility for collection, and all proceeds collected.

Item 9--This formula calculates the Perkins Loan default rate. Remember that an institution's default rate is a factor in evaluating administrative capability. It is also a factor in calculating an institution's new allocation--the next Federal Capital Contribution.

Fiscal Operations Report

OMB No 1840-0073
Expires 6/30/89

Name of institution and State _____ Serial Number _____ Entity Number 1 - _ _ - _ _ _ - _ _ _ - _ _ _ - _ _

Part IV. Supplemental Educational Opportunity Grant Program (SEOG)

For Award Year July 1, 1987 Through June 30, 1988

Section A. Funds Authorized/Released for SEOG

1. Final Adjusted SEOG Authorization _____ (date of adj.) $ _____

Section B. Funds Available for SEOG Expenditures

2. CWS Transferred to and Spent in SEOG + $ _____
3. SEOG Transferred to and Spent in CWS - $ _____
4. Funds Available (Lines 1 + 2 - 3) $ _____

Section C. Funds Spent for SEOG Program

5. SEOG Disbursements to Students $ _____
6. Administrative Cost Allowance Claimed + $ _____
7. Funds Spent (Lines 5 + 6) $ _____

Section D. Use of SEOG Authorization

8. Expended SEOG Authorization (Line 3 + Line 7 - Line 2) $ _____
9. Unexpended SEOG Authorization (Line 1 - Line 8) (cannot be negative) $ _____

Section E. Miscellaneous Information

10. Prior Year Recoveries $ _____

FISAP Part IV. Supplemental Educational Opportunity Grant Program (SEOG)

Sections A through E--SEOG Funds Authorized, Available, and Spent

This part of the FISAP is concerned with expenditures of authorized SEOG amounts.

Item 1: The final adjusted SEOG authorization is the amount of the original authorization plus any supplemental increases that were awarded by ED minus any unspent amount the institution released from the authorization (deobligated).

Items 2-3: Were funds transferred? If so, the amount must not exceed the 10% allowed.

Part V. College Work-Study Program (CWS) For Award Year July 1, 1987 Through June 30, 1988

Section A. Funds Authorized/Released for CWS

1.	Final Adjusted CWS Authorization	_____ (date of adj)	$ _____

Section B. Funds Available for CWS Expenditures

2.	SEOG Funds Transferred to and Spent in CWS	+	$ _____
3.	CWS Funds Transferred to and Spent in SEOG	-	$ _____
4.	1988-89 Funds Carried Back and Spent in 1987-88	+	$ _____
5.	1986-87 Funds Carried Forward and Spent in 1987-88	+	$ _____
6.	1987-88 Funds Carried Forward to be Spent in 1988-89	-	$ _____
7.	1987-88 Funds Carried Back and Spent in 1986-87	-	$ _____
8.	Total Funds Available for 1987-88 (Lines 1 + 2 - 3 + 4 + 5 - 6 - 7)		$ _____

Section C. Total Compensation for CWS

9.	Total Earned Compensation for Regular CWS Jobs		$ _____
10.	Total Earned Compensation for Community Service Learning Program Jobs	+	$ _____
11.	Total Earned Compensation for Total CWS Program (Line 9 + Line 10)		$ _____
	a. On-campus expenditures	$ _____	
	b. Off-campus expenditures at public or private non-profit agencies	$ _____	
	c. Off-campus expenditures in the private (for profit) sector	$ _____	
12.	Total Institutional Share of Earned Compensation (See instructions)		$ _____

Section D. Funds Spent from Federal Share of CWS

13.	Total Federal Share of CWS Disbursements to Students (Both Regular and Community Service Learning Program)		$ _____
	a. Compensation at Federal Share not to exceed 80%	$ _____	
	b. Off-campus private (for profit) sector compensation at Federal Share not to exceed 60%	$ _____	
	c. Community Service Learning Program compensation at Federal Share not to exceed 90%	$ _____	
14.	Administrative Cost Allowance Claimed for Regular CWS Program	+	$ _____
15.	Administrative Cost Allowance Claimed for CSLP (May Not Exceed 10% of Line 10)	+	$ _____

FISAP Part V. College Work-Study Program (CWS)

Section A--Funds Authorized/Released for CWS

Item 1: This refers to the federal portion of the authorization for one award year.

Section B--Funds Available for CWS Expenditures

Items 2-8: These items cover the allowable transfer of funds between programs. Were funds transferred between CWS and SEOG? Did the institution carry CWS funds forward or back? For an explanation of fund transfer regulations, refer to Module 12, Campus-Based Programs: SEOG, CWS, and Perkins Loan.

Section C--Total Compensation for CWS

This refers to total amounts paid to students under the CWS program. Did the institution or an off-campus agency provide at least the minimum matching amounts for the CWS funds used to pay wages? The minimum match must be made unless the institution received an approved waiver of the matching share requirement from ED.

Section D--Funds Spent from Federal Share of CWS

This section reports the amounts spent from the federal share of CWS and CSLP (Community Service Learning Program) wages. Federal dollars may also be spent as an administrative cost allowance which is calculated on a special worksheet in Part VI, Section B of the FISAP.

Fiscal Operations Report Part V 7/1/87 to 6/30/88

OMB No 1840-0073
Expires 6/30/89

Name of Institution and State _____ Serial Number _____ Entity Number 1-_-_-_-_-_-_-_-_-_-

16. Total Federal Share of Job Location and Development Program Expenditures + $_____
    a. Regular JLD Program expenditures: the lesser of $30,000 or 10% of (the sum of your 1987-88 original and supplemental authorizations, plus lines 4 and 5 of Part V). $_____
    b. JLD Program expenditures for CSLP: the lesser of $20,000 or 10% of (the sum of your 1987-88 original and supplemental authorizations, plus lines 4 and 5 of Part V). $_____

17. Total Federal Funds Spent for CWS (Sum of Lines 13 through 16) $_____

Section E. Use of CWS Authorization

18. Expended CWS Authorization (Lines 3 + 6 + 7 + 17) minus (Lines 2 + 4 + 5) $_____

19. Unexpended CWS Authorization (Line 1 - Line 18) $_____

Section F. Miscellaneous Information

20. Prior Year Recoveries $_____

Section G. Information About the Job Location and Development Programs

21. Total Expenditures for the Job Location and Development Programs $_____
    a. Regular JLD Expenditures $_____
    b. CSLP-JLD Expenditures $_____

22. Institutional Expenditures for the JLD Programs (See instructions) - $_____

23. Federal Share of JLD Program Expenditures (Line 21 minus 22; Line 23 Must Equal Section D, Line 16) $_____
    a. Regular JLD Expenditures $_____
    b. CSLP-JLD Expenditures $_____

24. Number of Students for Whom Jobs Were Located or Developed _____

25. Total Earnings of the Students in Line 24 Above $_____

FISAP Part V. College Work-Study Program (continued)

Section E--Use of CWS Authorization

The institution reports the total of the federal funds spent from the authorization during the award period.

Section F--Miscellaneous Information

The institution reports funds recovered from students during 1987-88 that were disbursed in prior years.

Section G--Information About the Job Location and Development Programs

This section requests information on the JLD programs similar to that already reported for CWS.

Fiscal Operations Report

OMB No 1840-0073
Expires 6/30/89

Name of Institution and State _____ Serial Number _____ Entity Number 1 - _ _ _ - _ _ _ - _ _ _ _ - _ _

Part VI. Program Summary

For Award Year July 1, 1987 Through June 30, 1988

Section A. Distribution of Program Recipients and Expenditures by Type of Student

PARENTAL INCOME CATEGORY/ STUDENT TYPE	PERKINS LOAN		SEOG		CWS		SUMMARY	
	a Recipients	b Funds	c Recipients	d Funds	e Recipients	f Funds	g Recipients	h Funds
Dependent Undergraduate 1. $0 – 5,999								
2. $6,000 – 11,999								
3. $12,000 – 17,999								
4. $18,000 – 23,999								
5. $24,000 – 29,999								
6. $30,000 AND OVER								
7. Undergraduate Independent								
8. Graduate/ Professional			DOES NOT APPLY	DOES NOT APPLY				
9. Less than half-time students								
10. TOTAL								

FISAP Part VI. Program Summary

Section A--Distribution of Program Recipients and Expenditures by Type of Student

In this section, the recipients of campus-based funds are profiled. This summary page of the FISAP gives an overview of the institution's campus-based Title IV aid programs.

Application and Fiscal Operations Report, Part VI, 7/1/87 to 6/30/88

OMB No 1840-0073
Expires 6/30/89

Name of Institution and State _____ Serial Number _____ Entity Number 1 - _ _ _ _ _ _ - _ _ _ _ - _ _

Administrative Cost Allowance Worksheet (Worksheet must be retained for audit and program reviews)

Section B. Calculating the Administrative Cost Allowance

STEP 1 Calculate the amount spent in 1987-88 on which the Administrative Cost Allowance is based:

1.	Total compensation in CWS (amount from Part V, Section C, line 11)	$		
2.	CSLP employment expenditures (amount from Part V, Section C, line 10)	- $		
3.	Eligible expenditures for Administrative Cost Allowance calculation (line 1 minus line 2) (must be the same as Part V, Section C, line 9)			$
4.	Amount of Perkins Loan funds advanced to students (amount from Part III, Section B, line 3)			+ $
5.	SEOG funds disbursed to students (amount from Part IV, Section C, line 5)			+ $
6.	TOTAL Amount Spent (line 3 + 4 + 5)			$

STEP 2 Calculate the Administrative Cost Allowance:

(Complete only ONE Subsection)

Institutions whose total amount spent was $2,750,000 OR LESS

7.	Enter total amount spent (line 6)	$		
8.	Multiply	x	.05	
9.	TOTAL Administrative Cost Allowance (GO TO STEP 3)	$		

Institutions whose total amount spent was MORE THAN $2,750,000 but LESS THAN $5,500,000

10.	Enter total amount spent (line 6)	$		
11.	Subtract	- $	2,750,000	
12.	Expenditures over $2,750,000 (line 10 minus line 11)	$		
13.	Multiply	x	.04	
14.	Administrative Cost Allowance on expenditures over $2,750,000 (line 12 x line 13)			$
15.	Add Administrative Cost Allowance on expenditures of $2,750,000			+ $ 137,500
16.	TOTAL Administrative Cost Allowance (line 14 + line 15) (GO TO STEP 3)			$

Institutions whose total amount spent was $5,500,000 OR MORE

17.	Enter total amount spent (line 6)	$		
18.	Subtract	- $	5,500,000	
19.	Expenditures over $5,500,000 (line 17 minus line 18)	$		
20.	Multiply	x	.03	
21.	Administrative Cost Allowance on expenditures over $5,500,000 (line 19 x line 20)			$
22.	Add Administrative Cost Allowance on expenditures of $5,500,000			+ $ 247,500
23.	TOTAL Administrative Cost Allowance (line 21 + line 22) (GO TO STEP 3)			$

STEP 3 Decide how much Administrative Cost Allowance the institution claimed:

24.	How much Administrative Cost did the institution claim? (The amount may be the same or less than the amount calculated in Step 2)		$
25.	How much Administrative Cost did the institution claim in each program?		
	a. Perkins Loan (must usually be the same as Part III, Section B, line 4, see instructions for Part III, Section B)	$	
	b. SEOG (must be the same as Part IV, Section C, line 6)	$	
	c. CWS (must be the same as Part V, Section D, line 14)	$	

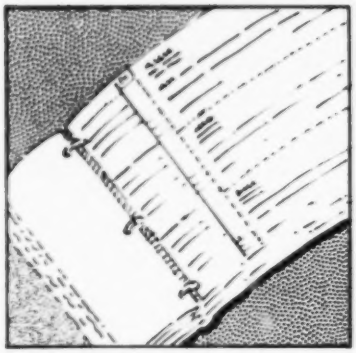
FISAP Part VI. Program Summary (continued)

Section B--Calculating the Administrative Cost Allowance

Institutions may take an administrative cost allowance. This is not required, and some institutions prefer to use their entire allocated amounts for awards. If any part of the allowance is taken, it may be from one awarding program or from more than one program. This section of the FISAP shows the amount taken and identifies the program source(s) from which it was claimed. It is retained by the institution for audit and program review. Section B is *not* returned to ED with the other parts of the FISAP.

14.3 OVERVIEW OF FISCAL OPERATIONS

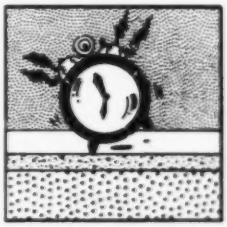
Fiscal operations is a term that can be used to describe a broad range of financial processes. In this section, we are concerned with a very limited set of fiscal operations--those involved in your institution's management of Title IV student aid funds. Topics include requesting Title IV money from the Department of Education, disbursing it to eligible students, recovering and returning disbursements to program accounts, processing loan checks, and accounting for each transaction.



Although financial aid administrators are concerned primarily with the operations described above, the overall financial management of the institution must be sound to ensure proper handling of student aid funds. Institutions must effectively manage a wide range of financial transactions including billing and receiving payments from students, issuing timely refunds, and paying institutional expenses. As we discussed in the Module 5 materials on institutional eligibility, this overall financial management capability is reviewed by the Department of Education before an institution can participate in Title IV programs and is examined regularly by auditors to ensure that good practices are maintained and poor ones are corrected.

As a financial aid administrator, your role in the fiscal operations of your institution is usually a limited one. Generally, you are responsible for authorizing transactions involving the use of Title IV funds. Some examples of this function are:

- ✧ authorizing payments to students (by check or credit to the student's account)
- ✧ authorizing refunds to Title IV accounts



As a financial aid administrator, you may not write checks as disbursements of Title IV funds. This prohibition is set by federal regulation and is an essential separation of functions in the checks and balances expected of a financial management system (34 CFR 668.14--General Provisions).

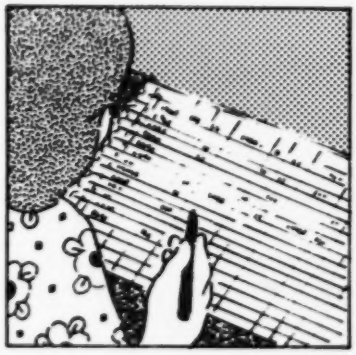
Your involvement in other aspects of fiscal operations will depend upon your individual institution. As we continue with a discussion of requirements and procedures, remember that there will be variations among institutions in the aid administrator's participation in fiscal matters. Also, financial management systems may be automated or manual, and may involve an entire department of professionals or be managed by a single individual. Thus, there will be many differences in the ways institutions will comply with requirements. Because of these factors, the discussion of fiscal operations will be a general one.

14.4 FISCAL RECORDKEEPING

Good financial recordkeeping practices are based on a clear audit trail. A *clear audit trail* is defined as the maintenance of required documentation to support each transaction for the receipt and expenditure of federal funds. Each transaction should be supported by a record of the following:

Clear Audit Trail: Although this module is concerned with a clear audit trail of financial records, the concept is important in other financial aid processes. For example, reviewers will want a clear audit trail to include the steps taken to determine the student's need and eligibility for payment.

- ✧ a clear description of the transaction to be made (as the authorizing party, this is your responsibility);
- ✧ who, or which office, is authorizing the transaction, and the date of the authorization (also your responsibility);
- ✧ a clear description of the transaction that was completed (the responsibility of the fiscal officer);
- ✧ who, or which office, completed the transaction, and the date of its completion (also a fiscal office responsibility); and
- ✧ an acknowledgment or report from the disbursing office to the financial aid office showing completion of the requested transaction.



What constitutes a "clear description" of the transaction to be made? We will illustrate this by looking at a transaction request for Title IV grant disbursements. Whether your office will generate a written transaction request or a data processing entry, you should identify certain key items:

- ✧ each student's identification number and/or name;

- the awarding source--Pell Grant, SEOG, *etc.*;
- the amount to be disbursed from each source;
- the award year for which the payment is made; and
- the payment period for which the payment is made.

The fiscal office must have systems that record transactions so that they can be traced and monitored. For the Pell Grant and campus-based programs, expenditures from an authorization must be recorded in such a way as to show that the institution disburses Title IV funds according to the regulations. Our discussion of the reports that must be completed to document the use of Title IV funds will show the importance of this need for adequate recordkeeping.

14.5 PROGRAM-SPECIFIC DISBURSEMENT PROCEDURES

The modules on the Pell Grant, Stafford/SLS/PLUS programs, and campus-based programs discuss the disbursement regulations for each program. Recordkeeping should clearly indicate that you have complied with disbursement regulations.

Transaction dates become especially important in this regard. Was a student's account credited before the allowable date--3 weeks before classes begin? Was a Stafford or SLS check delivered by the school before the student completed registration requirements? Was a refund made to a Stafford, SLS, or PLUS* lender within the allowable timeframe? You must be sure your authorization to disburse is made in accordance with these regulations. The fiscal office must ensure that transaction dates are recorded.

*Generally, PLUS loan checks are payable only to the parent borrower. The lender may forward checks directly to the parent. In this case, the aid administrator is not involved in disbursement or in the refund process.

14.6 BANK ACCOUNTS FOR FEDERAL FUNDS

Although separate accounts are not required for Title IV program funds, accounting records must clearly reflect

transactions made on behalf of each program. Records must show that Title IV funds have been used properly. Any account in which Pell Grant funds are deposited must have the word "federal" in its name. For accounts in which other Title IV funds are deposited, either the account must have the word "federal" in its name or the institution must send written notification to the bank specifying the account(s) containing federal funds. This enables auditors and the bank itself to recognize accounts that hold federal funds. Title IV account balances should not be in excess of the school's immediate needs and should be disbursed as quickly as possible.

14.7 REQUESTS FOR FUNDS

The Department of Education Payment Management System (ED/PMS) is the system from which institutions may obtain Title IV funds for award disbursements. The *Payment Management System Users Manual* describes the role of the ED/PMS as the institution's "single point of contact in the Department for cash matters." It goes on to describe three major functions of the ED/PMS:

- ✧ expediting the flow of cash between the federal government and recipients (in this case, schools);
- ✧ transmitting institutional disbursement data back to ED's awarding program offices; and
- ✧ managing cash advances to institutions.

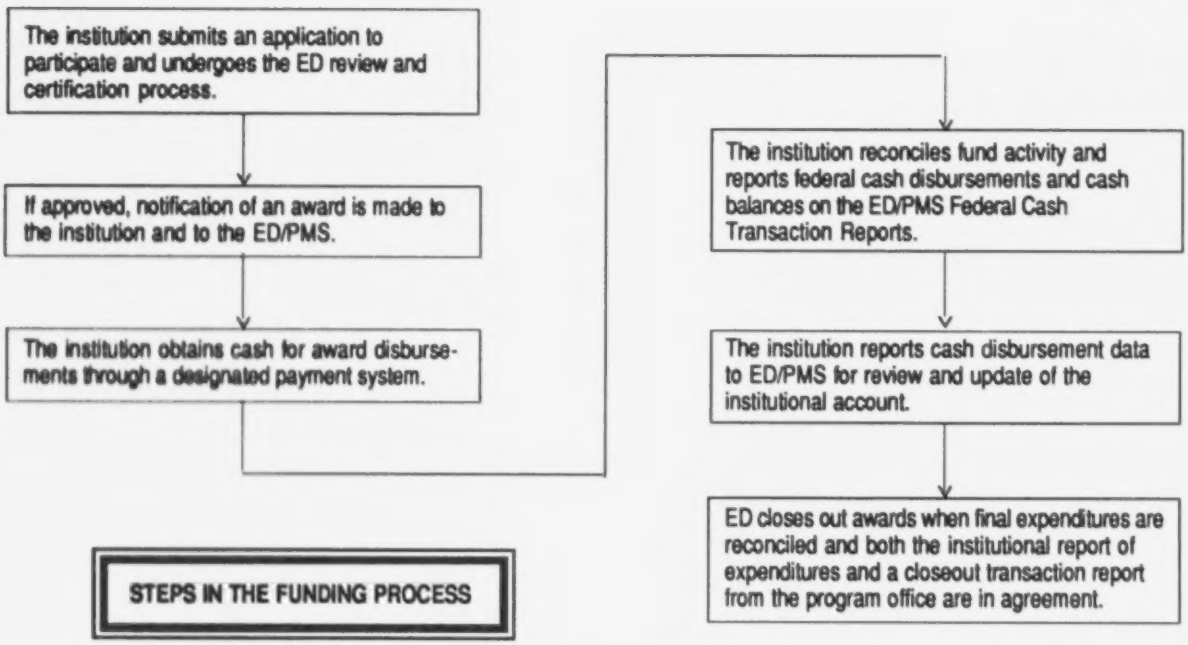
In general terms, the funding process includes the steps shown in the diagram on the next page.

The disbursement systems currently in use are:

- ✧ the Monthly Cash Request System;
- ✧ FEDWIRE; and
- ✧ the Automated Clearing House/Electronic Fund Transfer (ACH/EFT) System.

*Q. What is meant by "**cash**" in terms such as Monthly Cash Request, Federal Cash Transactions Report, excess cash on hand, cash advances, and cash drawdowns?*

A. Generally, we do not mean actual dollar bills and coins, we mean transactions made by check or electronic transfer. For instance, the Federal Cash Transactions Report will, in most cases, report the disbursements made to students by check or by credit to their student accounts. Excess cash on hand means a balance in the account that exceeds the amount needed for the disbursement checks to clear.


The institution submits an application to participate and undergoes the ED review and certification process.
If approved, notification of an award is made to the institution and to the ED/PMS.
The institution obtains cash for award disbursements through a designated payment system.
The institution reconciles fund activity and reports federal cash disbursements and cash balances on the ED/PMS Federal Cash Transaction Reports.
The institution reports cash disbursement data to ED/PMS for review and update of the institutional account.
ED closes out awards when final expenditures are reconciled and both the institutional report of expenditures and a closeout transaction report from the program office are in agreement.
STEPS IN THE FUNDING PROCESS

14.7.1 Forecasting Need

Before a request for a cash advance can be made, the amount to be requested must be determined. The amount must be adequate to meet Pell Grant and SEOG grant disbursements and the federal shares of CWS payroll disbursements and Perkins Loan disbursements. It must not exceed the immediate need. For those institutions using the Monthly Cash Request system, "immediate need" means need for a 30-day period. For institutions using ACH/EFT, it means need for a 3-day period. For FEDWIRE, it means 1 day.

According to the *Payment Management System Users Manual:*

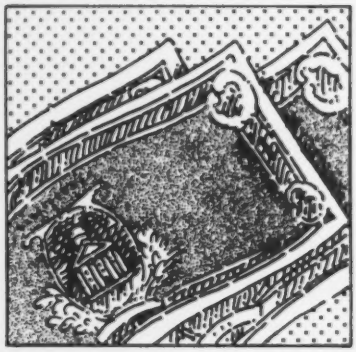
"Federal cash drawdowns must be limited by the recipient to the minimum amounts needed and must be timed to coincide with the actual immediate cash needs to cover checks presented at the Bank for payment."

The method used to determine the total amount needed will differ from institution to institution. Automated and manual systems will require the same basic elements:

- ✧ the balance of cash on hand;
- ✧ anticipated disbursements; and
- ✧ anticipated recoveries.

14.7.2 Monthly Cash Request System

Under this system, institutions submit Monthly Cash Requests to ED, requesting funds to cover their needs for the next 30-day period. The ED/PMS processes the request and a Treasury check is sent to the institution for deposit in its account.



These cash requests are usually submitted 2 weeks before the first of the month and request the amount that the institution needs to cover grant awards, the federal share of the College Work-Study payroll, the Perkins Loan Federal Capital Contribution, and the campus-based administrative cost allowance for the period. Total requests must not exceed the cumulative award authorization(s), and the institution must be careful not to request more than it will actually need.

14.7.3 Federal Electronic Fund Transfer (FEDWIRE)

FEDWIRE is an electronic funds transfer system. Funds are deposited directly into an institution's account based on a direct call made by the recipient to ED/PMS. The request is reviewed, approved or rejected, and if approved, funds are transmitted directly into the institution's account through the Federal Reserve Bank (FRB) the next working day. Payments are made based on available funds in the institution's account at the time of the request.

14.7.4 Automated Clearing House/Electronic Fund Transfer System (ACH/EFT)

This new system provides "paperless payment processing." Written requests for cash advances are eliminated. Schools call a special number to request an electronic deposit of federal funds. (In most cases, the number is toll-free.) The call is made to a commercial service bureau, National Computer Systems (NCS). After ensuring that the call is valid, NCS forwards the request to ED/PMS. If approved, each request is transmitted to the Federal Reserve Bank which deposits funds electronically into the school's bank account. Funds are received within 3 to 4 working days.

For security reasons, access codes (which are similar to passwords) are assigned to institutions by ED. Only persons who know the code are able to use the system.

For a detailed discussion of monthly cash request, FEDWIRE, and ACH/EFT procedures, see the *Payment Management System Users Manual* published in December 1985.

An updated version of the *PMS Users Manual* is scheduled for publication before the end of 1988.

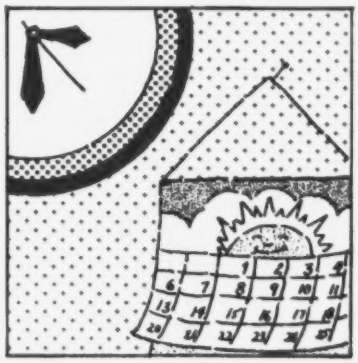
14.8 QUARTERLY REPORTS

We have seen how campus-based program activity is reported on the FISAP after the close of an award year, and how Pell Grant funds are reconciled and reported during regular reporting periods. One other set of reports is completed by the institution each quarter to reflect disbursements and recoveries for both the campus-based and Pell Grant programs. These reports are called the ED/PMS-272 series of reports or, more simply, the "quarterly" reports. These reports are:

- ✧ Status of Federal Cash--for the quarter, shows the total amount of federal funds advanced to the school, the net amount of federal funds disbursed (taking recoveries into consideration), and the remaining amount of federal cash on hand (Form 272);
- ✧ Federal Cash Transaction Report--lists the open active awards for each authorized program, the cumulative amount of each award, and previously reported cumulative expenditures. The new cumulative expenditures are updated by the institution each quarter, reflecting the disbursements during the quarter (Form 272-A);
- ✧ Statement of Cash Accountability--lists previously reported information that was used to determine the amount of cash for which the institution is accountable, lists the payments received through ED/PMS during the quarter, and also provides space for describing problems (Form 272-B);
- ✧ Error Correction Document--provides the opportunity for institutions to correct erroneous data (Form 272-C);
- ✧ Authorizations for Future Periods--reports future authorizations which have been entered into the ED/PMS system but from which disbursement may not be made until the upcoming start date has been reached (Form 272-F); and
- ✧ Inactive Documents Report--provides institutions with a record of authorizations that have become

Quarters are the following:

- July 1 to September 30
- October 1 to December 31
- January 1 to March 31
- April 1 to June 30



inactive, based on the end date for the award (Form 272-G).

Reconciliation of fund activity is again essential for accurate reporting. The financial aid and business offices must reconcile their records at least monthly, and before completing quarterly reports.

Two of the reports in the 272 series have been reproduced on the following pages.

Form 272

On this summary form, the institution reports:

- ✧ the amount of federal cash on hand at the beginning of the quarter covered by the report;
- ✧ net disbursements and total receipts; and
- ✧ the amount of federal cash remaining on hand.

A sample Form 272 is shown on the next page. For further details on completing the form, see Chapter IV of the *PMS Users Manual.*

Form 272-A

This form reports information on transactions by Title IV program and date. The numbers listed in Column (a), the "Federal Grant or Other Identification" column, are document numbers that have been assigned by ED (see the sample form on page 43). Your institution would have a separate number assigned to each program for which it was given an authorization: Pell Grant, SEOG, CWS, and Perkins Loan. On our sample Form 272-A, the Pell Grant FY 88 authorization has the document number E-P008807335, and the SEOG FY 88 authorization has the document number E-P008836457. The amount of each program authorization is listed in Column (c). Cumulative federal expenditures which have been reported previously by the institution are reproduced in Column (d). The institution enters its new cumulative expenditures, including expenditures for the quarter covered by the report in Column (e).

Beginning in award year 1988-89, document numbers will incorporate the Catalog of Federal Domestic Assistance (CFDA) number for each program.

More details on these forms, together with complete explanations of the circled letters and numbers on the sample form, are given in Chapter IV of the *Payment Management System Users Manual.*

PMS 272

FEDERAL CASH TRANSACTIONS REPORT
STATUS OF FEDERAL CASH

PAGE 1
OMB NO. 1880-0172
(APPROVAL THROUGH 07/31/--)

DART SCHOOL
1900 E MAIN ST
SPRING OH 45503
PIN: 0050 PAN: K008G EIN: 1300950010A3
ACH-PAY REGION: 05 STATE: OH

1. CASH ON HAND BEGINNING OF REPORTING PERIOD $_____

2. TOTAL RECEIPTS (SEE STATEMNT OF CASH ACCOUNTABILITY FOR DETAILS) +_____

3. TOTAL CASH AVAILABLE $_____

4. NET DISBURSEMENTS (FROM PMS 272-A) -_____

5. ADJUSTMENTS OF PRIOR PERIODS (SEE STATEMENT OF CASH ACCOUNTABILITY FOR DETAILS) +_____

6. CASH ON HAND END OF PERIOD (line 3, less line 4, plus or minus line 5) $_____

7. THE AMOUNT SHOWN ON LINE 6, ABOVE, REPRESENTS CASH REQUIREMENTS FOR THE ENSUING ___ DAYS
(NUMBER)

OTHER INFORMATION

8. INTEREST INCOME $_____

9. ADVANCES TO SUBGRANTEES OR SUBCONTRACTORS $_____

AUTHORIZED CERTIFYING OFFICIAL

I CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF THAT THIS REPORT IS TRUE IN ALL RESPECTS AND THAT ALL DISBURSEMENTS HAVE BEEN MADE FOR THE PURPOSE AND CONDITIONS OF THE GRANT OR AGREEMENT.

SIGNATURE_____DATE REPORT SUBMITTED_____

TYPED OR PRINTED NAME AND TITLE_____

TELEPHONE: (Area Code)_____(Number)_____ . _____(Extension)_____

272-A FEDERAL CASH TRANSACTION REPORT PAGE 2
ED - PMS

EIN: 1300950010A3
REGION: 05 STATE: OH

PERIOD COVERED BY THIS REPORT:
01/01/88 - 03/31/88
GENERAL ACCOUNT

FEDERAL GRANT OR OTHER IDENTIFICATION (a)	RECIP A/C OR OTHER ID NO (b)	AUTHORIZED AMOUNT (c)	FEDERAL SHARE OF NET DISBURSEMENTS CUM THRU 12/31/87 (d)	CUM THRU 03/31/88 (e)
E-P008807335	87/88 PELL	4,083,117.00	2,725,222.34	
P008807335	ON 01/13/88 $ 87,402.00			
P008807335	ON 01/13/88 $ 1,321,825.00			
E-P008816457		69,757.00	0.00	
E-P008826457		180,000.00	0.00	
E-P008836457	87/88 SEOG	74,325.00	41,243.00	
SUB-TOTAL		4,407,199.00	2,766,465.34	

PLEASE ENTER DOCUMENTS MISSING FROM ABOVE (COPY OF AWARD DOCUMENT MUST BE ATTACHED):

TOTALS				

NET DISBURSEMENTS (column e minus column d) MUST CORRESPOND WITH AMOUNT SHOWN ON PMS 272 LINE 4

Resolution of previously reported award problems:

			Msg. No.	Brief Description
E-P008607335	85/86 PELL	2,833,600.00	( )	NO ACTION HAS YET BEEN TAKEN
E-P008707335	86/87 PELL	2,773,994.00	(M04)	ACCEPTED DOCUMENT
E-P008716457	86/87 CWS	42,252.00	(M04)	ACCEPTED DOCUMENT
E-P008736457	86/87 SEOG	45,012.00	(M04)	ACCEPTED DOCUMENT

SAMPLE OF FORM PMS 272-A

14.9 STUDENT LOAN REPORTS

14.9.1 Stafford Loan Program Student Confirmation Reports

Although institutions do not have Stafford Loan authorizations that must be tracked, there is a reporting requirement of major importance–Stafford Student Confirmation Reports. The reports are sent to schools by each guarantee agency that has approved a loan for attendance at the institution; usually, schools receive several of these reports. A sample report is shown on page 45.

Stafford Student Confirmation Reports are important because they require schools to certify the enrollment status or last date of attendance for students who are reported to be attending an institution. As discussed in Module 11, Stafford borrowers enter a grace period and then begin repayment of their loans after they stop attending school at least half-time. Students are required to notify lenders of a change in status; however, this form of notification is less reliable than a reporting system between institutions and guarantee agencies.

The Stafford Student Confirmation Reports have the additional value of providing space to make corrections or comments. For example, information on students transferring to other institutions, student address changes, and corrections of Social Security numbers can be provided here.

It should be noted that institutions must send change of enrollment information directly to the lender or the guarantee agency if the next Stafford Student Confirmation Report will not be filed within 60 days of the change.

14.9.2 Reporting Defaults on Perkins Loans

Institutions are required by law to report the number of Perkins Loan borrowers in default by filing the Perkins Loan fiscal operations sections of the FISAP. The FISAP will report activity through the end of the award year (June 30). If billing and collection firms are used, they can provide the institution with monthly or quarterly reports to use in the default rate computation. Otherwise, the institution is responsible for providing the data from its own records.

REPORT NO. UFS204R1

STUDENT STATUS CONFIRMATION REPORT

DATE: 10/09/8

RETURN WITHIN 30 DAYS TO

PROCESSING CENTER
P.O. BOX 50827
INDIANAPOLIS, IN 46250

LENDER ID	SOCIAL SECURITY NUMBER	NAME OF STUDENT BORROWER	(1) ENROLLED (✓ ONE) FULL TIME	(1) ENROLLED (✓ ONE) HALF TIME	(2) NOT ENROLLED AT LEAST HALF-TIME (GIVE DATE WHEN AT LEAST HALF-TIME ATTENDANCE CEASED) LESS THAN HALF TIME	(2) WITHDREW OR CEASED ATTENDANCE	(2) GRADUATED	(3) IF (2) HE HAS NEVER ENROLLED	(4) ADDITIONAL INFORMATION ABOUT BORROWER
84553	440-06-1725	Blender, Tanja	✓						
87564	226-19-3748	Brother, Henry	✓						
84553	278-58-3385	Dent, Elizabeth		✓					
84553	374-66-7125	Gordon, Daniel	✓						
82907	226-04-6623	Janson, Wanita	✓						
87564	338-64-8874	Quinn, Neal			12/16/88				
82907	447-85-9935	Sennell, Jane	✓						
83119	447-75-9967	Sonata, Tony		✓					
84553	678-09-9987	Tran, Wen				12/16/88			

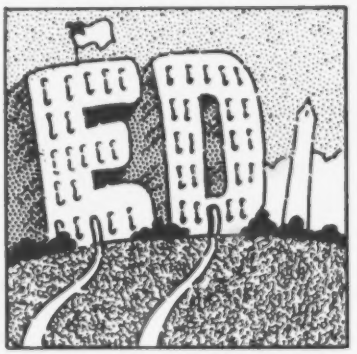
I HEREBY CERTIFY THAT THE INFORMATION REPORTED ON THIS VERIFICATION IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

xx/xx/xx	[signature]	SUSAN BLACKWELL	DFA	(999)767-1309
DATE OF COMPLETION	SIGNATURE OF AUTHORIZED SCHOOL OFFICIAL	FULL NAME (TYPE OR PRINTED)	TITLE	AREA/TELEPHONE NO.

SUMMARY

This module has presented and discussed some important aspects of financial aid authorizations, fiscal operations, and reporting. It covers the Pell Grant, campus-based, and Stafford Loan programs.

The Pell Grant program authorization is initially determined by the Department of Education based on prior-year Pell Grant program funding at the institution and other factors. The authorization is then adjusted to meet the needs of all eligible students. This flexibility requires a reporting process throughout the award year that will indicate the necessary adjustments to the Pell Grant authorization on a regular basis. The Pell Grant Delivery System Action Letters give complete instructions on the Pell Grant reporting process.



For participation in the campus-based programs, institutions must submit annually the Fiscal Operations Report and Application to Participate. Individual authorizations are determined by ED for each campus-based program. In general, once a campus-based program authorization is established for an award year, it will not be adjusted.

Fiscal operations are an important part of the proper administration of Title IV financial aid programs. For this reason, we have given you an overview of fiscal activities, although the responsibility for making, recording, and reporting financial transactions belongs primarily with the fiscal or business office. However, because disbursements of funds to students and other aid transactions are authorized by the financial aid office, your office must keep complete and accurate records to support all transactions.

Periodic expenditure reports--the "quarterly" reports--are required in the Pell Grant and campus-based programs. In these reports, institutions submit information on disbursements and recoveries. Loan programs also require special periodic reporting. The enrollment status of Stafford borrowers is reported to guarantee agencies on the Stafford Student Confirmation Reports. Data on borrowers in default on Perkins Loans is filed on the FISAP.

POST-TEST

1. Which report is the annual application for campus-based funds?

   a. the FISAP
   b. the quarterly report
   c. the Institutional Payment Summary
   d. the SAR

2. Which report is submitted with Pell Grant Payment Documents?

   a. the Pell Grant Student Payment Summary
   b. the Institutional Payment Summary
   c. the Monthly Cash Request Report
   d. the Federal Cash Transactions Report

3. How is the Pell Grant authorization adjusted during the award year?

   a. it is not adjusted after the initial authorization has been made
   b. it will be adjusted whenever the batched Payment Documents and IPS indicate the need for an adjustment
   c. it is adjusted whenever the institution completes a FISAP
   d. it is adjusted whenever the Federal Cash Transaction Report indicates that more Pell Grant funds have been disbursed than were originally allocated

4. Reporting periods for the Pell Grant program are the same for all institutions. True or False?

5. The FISAP requires the institution to report eligible aid applicants by income level. True or False?

6. When is the FISAP filed?

   a. by June 30th--the end of the award year
   b. every fall
   c. after the institution files an audit report with ED

7. A matching requirement is:

   a. an amount that must be added by the institution to federal funds allocated by ED
   b. an amount that the student must contribute to his or her cost of education
   c. an amount that the state must contribute to the institution to match federal contributions for financial aid awards

8. Institutions must draw down funds for their immediate needs only. True or False?

9. A clear audit trail is:

   a. an established set of procedures that must be completed during an audit
   b. documentation to support each transaction for the receipt and expenditure of federal funds
   c. clearance by ED to draw funds from the U.S. Treasury
   d. clear and complete records of an independent audit for each year of participation in Title IV programs

10. Institutions are required to have the word "federal" in the name of any account used to receive and disburse federal funds. True or False?

11. Which of the payment systems deposit federal funds directly into an institution's commercial bank account? (circle all that apply)

    a. Monthly Cash Request
    b. FEDWIRE
    c. Automated Clearing House/Electronic Fund Transfer (ACH/EFT)

12. The FEDWIRE system allows an institution to make requests for cash which exceed the limit of total funds authorized. True or False?

13. The Automated Clearing House/Electronic Fund Transfer system (ACH/EFT) will replace all other disbursement systems. True or False?

ANSWERS

1. a. The FISAP is the annual application for campus-based funds. (For more information, see Sections 14.2.1 - 14.2.4.)

2. b. The Institutional Payment Summary is submitted with the Pell Grant Payment Documents. (14.1.2)

3. b. The Pell Grant authorization is adjusted whenever submission of the tape or Payment Documents and the Institutional Payment Summary (or tape or electronic data records) indicate the need for an adjustment. (14.1, 14.1.3)

4. False. Institutions with authorizations of $750,000 or more have six required reporting periods; institutions with authorizations of less than $750,000 have only three. Although institutions are required to submit an IPS at least once during each reporting period, they may choose when and how frequently to submit them. An institution is allowed to make up to 60 submissions in an award year. (14.1.2)

5. True. Eligible aid applicants are reported by income level, dependency status, and undergraduate/graduate status. (14.2.4--FISAP Part II, Section E)

6. b. The FISAP is filed each fall (no later than October 1). For example, the FISAP filed in the fall of 1988 reports fiscal operations for the 1987-88 award year and requests authorizations for the 1989-90 award year. (14.2.2)

7. a. Currently, the federal regulations contain matching requirements for the CWS and Perkins Loan programs. This means that schools participating in these programs must provide matching funds from nonfederal sources each award year. For the CWS program, at least 20% of wages paid to students must be paid by the institution or off-campus employer. For the Perkins Loan program, the institution must contribute an amount equal to 1/9 of the federal contribution to the program. (14.2)

8. True. Cash advances should be for immediate needs only. Institutions using a Monthly Cash Request system may request funds for a 30-day period. Institutions using the ACH/EFT system may request funds for a 3-day period. The institution must forecast its cash needs carefully to avoid having excessive cash on hand. (14.7.1 - 14.7.4)

9. b. A clear audit trail refers to clear and complete documentation to support each transaction for the receipt and expenditure of federal funds. This includes clear identification of the recipient, the amount of the disbursement, the source of funds (program), and the award year and payment period for which the transaction is made. (14.4)

10. False. Only accounts holding federal Pell Grant funds *must* have the word "federal" in their names to make them easily identifiable. There is no requirement for other accounts to follow this practice. (14.6)

11. b. and c. The FEDWIRE and Automated Clearing House/Electronic Fund Transfer (ACH/EFT) systems provide for a direct transfer of federal funds into an institutional account at a commercial bank. Monthly Cash Request users receive a Treasury check and must make the deposit themselves. (14.7.2 - 14.7.4)

12. False. An institution is required to stay within the total authorized limit. (14.7.2)

13. True. The Automated Clearing House/Electronic Fund Transfer System (ACH/EFT) will, for the most part, replace the older systems with a "paperless payment processing" system. Exception: Some institutions with special circumstances and institutions that are new recipients of ED awards may continue to use other systems. (14.7.4)

Questions: 13 Your Score: Percentage:

administrative cost allowance	A payment made to an institution or guarantee agency for the purpose of offsetting the cost of administering Title IV programs.
audit trail	A *clear audit trail* is the maintenance of required documentation to support each transaction for the receipt and expenditure of federal funds.
authorization (spending)	The approved level of expenditure for a program for an award year. The Department of Education notifies each participating institution of its tentative and final authorization(s), for each Title IV program in which it participates, for the upcoming award year.
Batch Report	See **IPS Batch Report**.
carry forward/carry back	A special provision of the College Work-Study program which allows an institution to transfer up to 10% of its annual allocation back to the previous award year or forward to the next award year.
cash advance	A transfer of funds from a federal agency (U.S. Treasury or Federal Reserve Bank) to the institution.
default	The failure of a borrower either to make an installment payment when it is due or to comply with other terms of the promissory note.
deobligate	Action by ED to reduce all or part of an institution's authorization for a program. Deobligation usually results from an institution's release of funds that will not be spent during the period for which they were authorized.
Department of Education Payment Management System (ED/PMS)	A financial management and payment system maintained by the Department of Education.
fiscal operations	Activities related to the management and completion of financial transactions. The management of funds, including student accounts, is the primary responsibility of an institution's fiscal office.
Institutional Payment Summary (IPS)	A transmittal form which accompanies each individual batch of institutionally completed Pell Grant Payment Documents. The IPS must be submitted at least once in each quarter, even if it is not accompanied by Payment Documents.
IPS Batch Report	A report which notifies the institution that ED has completed processing of its IPS submission and summarizes the processing of the batch. It also gives the net adjustment ED made to the

	payment data and alerts the institution to differences between its records and the data accepted by ED; any differences must be reconciled.
matching (fund) requirement	The requirement that a portion of student aid program funds be contributed by the institution. For Title IV campus-based programs, institutions must contribute an amount equal to one-ninth of the federal contribution to the Perkins Loan Fund and, for the 1988-89 award year, at least 20% of the CWS funds.
off-campus agency match	The payment of the matching fund requirement (for CWS student wages) by the external agency that is employing the student(s).
Payment Document (Pell Grant)	Part 3 of the Student Aid Report (SAR). A machine-readable form that must be coded with an individual student's payment data at the institution before submission to ED.
Pell Electronic Data Exchange	A Department of Education project that enables postsecondary institutions to transmit and receive Pell Grant information electronically via a telecommunications network.
processed payment document	The document ED returns to the institution that reflects the status of previously reported payment data: accepted fully, accepted with assumptions, or rejected.
Recipient Data Exchange (RDE)	A procedure for transmitting Pell Grant payment data between an institution and the Department of Education via machine-readable magnetic tape handled by computer systems.
Statement of Account (SOA)	A statement originating from the Department of Education which sets the authorization level for the Pell Grant program and projects future adjustments to the institution's payments.
Student Payment Summary	ED-generated listing of Pell Grant applicants and award information for each student retained in ED's records. The summary is sent to the institution at mid-year and at the end of the processing year.

ACRONYMS

CSL	Community Service Learning program.
ED/PMS	Department of Education Payment Management System.
FCC	Federal Capital Contribution.
FISAP	The Fiscal Operations Report and Application to Participate in the Perkins Loan, SEOG, and CWS programs.

ICC	Institutional Capital Contribution.
IPS	Institutional Payment Summary (for Pell Grants).
JLD	Job Location and Development program.
RDE	Recipient Data Exchange.
SAR	Student Aid Report.
SOA	Statement of Account.

KEY RESOURCES

1. U.S. Department of Education, Office of the Comptroller, Financial Management Service, *Payment Management System Users Manual*, Washington, D.C., FMS/ED, 1985.

   Topics covered include user requirements for the Monthly Cash Request system and recipient reporting to ED/PMS.

2. U.S. Department of Education, Office of Student Financial Assistance, *Pell Grant Delivery System Action Letters*, Washington, D.C., OSFA/ED.

3. -------, *"Dear Colleague" letter GEN-88-7*, Washington, D.C., OSFA/ED, January, 1988.

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1. National Association of Student Financial Aid Administrators, *Encyclopedia of Student Financial Aid*, Washington, D.C., NASFAA, 1988.

The references listed above can be obtained by contacting the publishing organization. For U.S. Department of Education addresses, see the inside back cover or the Support Booklet. For all other addresses, see the Support Booklet.

INDEX

A

action letters (Pell) 14.1
Applicant Tape program 14.1.1
audit trail 14.4
authorization
  campus-based programs 14.2
  Pell Grant 14.1
Authorizations for Future Periods Report 14.8
Automated Clearing House/Electronic Fund Transfer System (ACH/EFT) 14.7.4

B

bank accounts, for federal funds 14.6
Batch Report 14.1.3

C

clear audit trail 14.4

D

drawing down funds 14.7. *See also* requests for funds

E

Error Correction Document 14.8

F

Federal Cash Transaction Report 14.8
Federal Electronic Fund Transfer (FED WIRE) 14.7.3
FISAP
  completing the FISAP 14.2.4
  responsibility for the FISAP 14.2.3
fiscal operations 14.3
Fiscal Operations Report and Application to Participate. *See* FISAP
fiscal recordkeeping 14.4
forecasting need for federal funds 14.7.1

I

Inactive Documents Report 14.8
Institutional Payment Summary (IPS) 14.1.2
IPS Batch Report 14.1.3

M

Monthly Cash Request System 14.7.2

P

Payment Document 14.1.1
Pell Electronic Data Exchange (PEDE) 14.1.1

R

Recipient Data Exchange (RDE) 14.1.1
reconciliation of records (Pell) 14.1.5
recordkeeping, fiscal 14.4
reporting
  periods 14.8
  quarterly reports 14.8
  Stafford Student Confirmation Reports 14.9.1
requests for funds 14.7
  Automated Clearing House/Electronic Fund Transfer System (ACH/EFT) 14.7.4
  Federal Electronic Fund Transfer (FED WIRE) 14.7.3
  forecasting need 14.7.1
  Monthly Cash Request System 14.7.2

S

Statement of Account (Pell) 14.1.3
Statement of Cash Accountability 14.8
Status of Federal Cash Report 14.8
Student Aid Report (SAR), Part 3 14.1.1
Student Payment Summary (Pell) 14.1.4

77

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